

Decision No. 60268**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 JOE CASELLA and CLOTILDA CASELLA,)
 husband and wife, doing business as) Application No. 41955
 CASELLA LUMBER TRANSPORTATION to)
 sell, and ROSSI TRANSPORTATION, INC.,)
 a corporation, to purchase certifi-)
 cate rights.)

Edwin H. Griffiths and George B. Dill,
 for applicants.

O P I N I O N

By this application filed February 16, 1960, Joe Casella and Clotilda Casella request authority to sell and Rossi Transportation, Inc., seeks authority to purchase the highway common carrier operative rights now held by the Casellas. The rights were granted by Decision No. 51812 dated August 9, 1955, in Application No. 36347 and cover the transportation of lumber and forest products between Fort Bragg and Arcata and surrounding territory, on the one hand, and San Francisco and Los Angeles territories, on the other hand. The contract for sale attached to the application provides for a purchase price of \$2,000 for such operative rights. No equipment or other property is included in the transaction.

Public hearing was held in San Francisco before Examiner Rowe on April 14, 1960, at which time evidence both oral and documentary was adduced and the matter submitted for decision.

By amendment made at the hearing applicant Rossi Transportation, Inc., requested long-and-short-haul relief from the provisions of Section 460 of the Public Utilities Code to permit the filing of railhead rates believed necessary to place the operation on a profitable competitive level with other carriers. The territorial

scope of such proposed railhead rates is briefly described as,

"From Fort Bragg, Longvale and Willits, also, from Arcata and railpoints within a 25-mile radius thereof, to rail points in San Francisco Territory as described in Appendix B attached to and forming a part of Decision No. 51812 dated August 9, 1955, in Application No. 36347."

Notice of the application was duly given to all competitors. No one appeared to protest the application.

Applicant Joe Casella testified that pursuant to the order of Decision No. 59726 dated March 8, 1960, in Case No. 6295, he had suspended all operations on April 11, 1960, and would continue such suspension during the rest of the period of fifteen days until April 25, 1960, and that he was proceeding with the collection of all undercharges as ordered.

From the evidence of record the Commission finds that the public interest will not be adversely affected by the proposed transfer of operative rights. In addition, Rossi Transportation, Inc., produced evidence to justify long-and-short-haul relief from the provisions of Article XII, Section 21 of the California Constitution and Section 460 of the Public Utilities Code to permit the filing of railhead rates. The Commission further finds that Rossi Transportation, Inc., has sufficient equipment, financial resources and experience to successfully carry on the operation. It will be authorized by the following order to depart from the provisions of said Section 21 of the Constitution and Section 460 of the Public Utilities Code to the extent necessary to publish the railhead rates sought. In order to effect this result as soon as possible the Commission waives any contrary requirement of paragraph 9(a) of General Order No. 80. The action taken herein shall not be construed to be a finding of the value of the rights herein authorized to be transferred.

This certificate in view of its limited use and the lack of evidence of its value to the seller is not considered as justifying a purchase price in excess of the cost of filing fees at the time of its issuance. The transfer will therefore be authorized subject to the condition that only \$50.00 be paid for it.

The tariffs of Casella now on file with the Commission contain rates lower than the established minimum rates. The transfer will be conditioned upon the requirement that the tariff to be filed by Rossi Transportation, Inc., shall not contain rates below the minimum.

O R D E R

Application therefor, as amended, having been filed, a public hearing having been held, and based upon the above findings,

IT IS ORDERED:

1. That Joe Casella and Clotilda Casella are authorized to transfer their operative rights granted by said Decision No. 51812 to applicant Rossi Transportation, Inc., after the effective date hereof and on or before August 1, 1960.

2. That on not less than five days' notice to the Commission and to the public applicants shall, effective concurrently with the consummation of such transfer, issue tariffs satisfactory to the Commission naming rates, rules and regulations governing the highway common carrier operations here involved to show that Joe Casella and Clotilda Casella have withdrawn or canceled and that Rossi Transportation, Inc., has adopted or established rates, rules and regulations on a basis no lower than the established minimum rates.

3. That applicant Rossi Transportation, Inc., is hereby authorized to establish, on not less than five days' notice to the

Commission and to the public, rail competitive carload rates as set forth in the amended application and to depart from the long-and-short-haul provisions of Article XII, Section 21 of the Constitution of the State of California, and Section No. 460 of the Public Utilities Code to the extent necessary to establish such rates.

4. That within thirty days after the consummation of the transfer herein authorized Rossi Transportation, Inc., shall notify the Commission of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may have been executed to effect such transfer.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 14th day of June, 1960

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners