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Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)
DELTA LINES, INC., a corporation,) Application No. 43506
to establish Rate Arbitraries under) (As Amended)
Section 454 and Section 460 of the)
Public Utilities Code.)

OPINION AND ORDER

By this application, filed June 14, 1961, as amended on June 22, 1961, Delta Lines, Inc., seeks authority, under Sections 454 and 460 of the Public Utilities Code, to establish rate arbitraries between Angels Camp and a new installation now being constructed by Pacific Gas and Electric Company to be known as Stanislaus Power House, located approximately ten miles southeasterly of Vallecito, Calaveras County, on an unnumbered county road. The proposed rate arbitraries range from 26 cents per 100 pounds for shipments of 2,000 pounds and under to 5½ cents per 100 pounds for shipments of over 30,000 pounds, subject to a minimum charge per shipment of \$2.10.

According to the application the county road involved, while containing turn-outs to allow meeting vehicles to pass, is suitable only to one-way traffic. Two hours travel time, over approximately 20 miles of mountainous terrain, is required from the main highway near Vallecito to the construction site and return. Applicant alleges that its current distance rates do not provide proper compensation for the foregoing segment of transportation. Increased revenues which will accrue from the proposed rates, applicant states, will account for less than one per cent of its

gross revenues. The application states that establishment of the construction site as a named point in applicant's tariff will enable users thereof to quote uniform rates.

Attached to the application as Exhibit "A" is a letter from the Pacific Gas and Electric Company, supporting applicant's request to establish the proposed rate arbitraries. The letter states that while this project is under construction, many shipments of material and equipment will be made from the San Francisco Bay area, Los Angeles and Eastern points. It states also that the service will result in a saving to Pacific Gas and Electric Company in warehouse rental, equipment rental and labor.

No objection to the granting of this application has been received.

In the circumstances it appears, and the Commission finds, that the proposed rate arbitraries and increases resulting therefrom are justified. A public hearing is not necessary. Applicant requests that it be allowed to establish the proposed rates as soon as possible to enable orderly submission of bids in connection with the proposed construction. For that reason, this order will be made effective on the date hereof. Applicant also requests authority to make the rates effective on one day's notice. It appears that a period of five days' notice is justified. With that exception, the application, as amended, will be granted.

Therefore, good cause appearing,

IT IS ORDERED that:

(1) Delta Lines, Inc., is hereby authorized to establish on not less than five days' notice to the Commission and to the

public, the rate arbitraries proposed in the above-entitled application, as amended, using Angels Camp (Calaveras County) as a basing point.

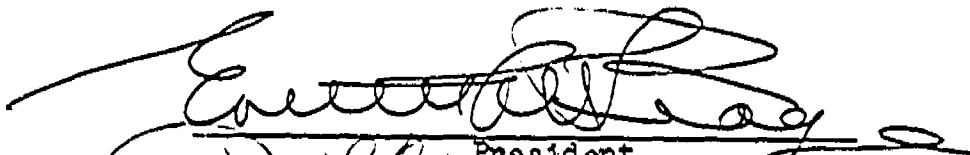
(2) Applicant is authorized to depart from the provisions of Article XII, Section 21 of the Constitution of the State of California, and Section 460 of the Public Utilities Code, to the extent necessary to adjust long-and-short-haul departures now maintained under outstanding authorizations; that such outstanding authorizations be and they are hereby modified to the extent necessary to comply with this order; and that applicant in publishing rates under this authority shall make reference in its schedules to the prior orders authorizing long-and-short-haul departures and to this order.

(3) The authority herein granted shall expire unless exercised within one hundred twenty days after the effective date of this order.


The effective date of this order shall be the date hereof.

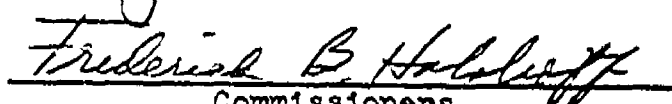
Dated at San Francisco, California, this 30th day of

June, 1961.



President





Commissioners