

ORIGINAL

Decision No. 63725

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
HARRY MCKENZIE TRUCKING CO., a corpora-)	
tion, for an order authorizing departure)	
from the rates, rules and regulations of)	Application No. 44384
Minimum Rate Tariff No. 2, pursuant to)	(Filed April 24, 1962)
the provisions of Section 3666 of the)	
Public Utilities Code for the transporta-)	
tion of brandy.)	

OPINION AND ORDER

Applicant holds radial highway common carrier, highway
¹
contract carrier and city carrier permits. By Decision No. 62039,
dated May 22, 1961, in Application No. 43350, applicant was
authorized to transport brandy, in barrels, for Fromm & Sichel,
Inc., between Lac Jac, on the one hand, and Biola, Fowler, Monmouth
and Mission Bell, on the other hand, at rates less than the estab-
lished minimum rates. The current authority is scheduled to expire
with June 17, 1962.

By this application, applicant seeks authority to continue
the current authorization for a further one-year period and to
establish an additional less-than-minimum rate of 29 cents per 100
pounds, minimum weight 40,000 pounds, for the transportation of
brandy, in barrels, between Lac Jac and Lodi subject to the condition
that an immediate backhaul of the same commodity from Lodi to Lac Jac
results from each outbound haul from Lac Jac to Lodi. Authority is also

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It is also authorized to operate as a highway common carrier of
specified commodities between certain points not involved herein.

sought to increase by one-half cent per 100 pounds each of the rates currently authorized between Lac Jac, on the one hand, and Biola, Fowler and Monmouth, on the other hand; and to increase the present rate between Lac Jac and Mission Bell from 18 to 19 cents per 100² pounds.

Applicant alleges that, except for increased labor costs, the general conditions concerning the transportation characteristics involved have remained virtually unchanged since the current authority was granted; that the volume of traffic under the current authority has been greater than anticipated; and that the increased rates will serve to offset increased labor costs, which by an existing agreement will become effective on July 1, 1962, as well as any other incidental increase in expenses during the ensuing one-year period.

Cost and revenue studies submitted by applicant indicate that the new movement to and from Lodi at the proposed rate will be profitable and that the traffic volume thereunder will be substantial. Applicant states that the proposed service to and from Lodi will be integrated with existing operations performed for the same shipper; that applicant possesses the necessary equipment, personnel and facilities for establishing and maintaining service thereto; and that the addition of Lodi will be of significant benefit to the overall operation and will increase its profitableness.

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No authority for the increase is required from this Commission inasmuch as applicant, insofar as this proceeding is concerned, is a permitted carrier for which only minimum rates have been established. Authority for the use of the sought rates after June 17, 1962, is required, however, inasmuch as these rates are below the minimum rates otherwise applicable.

The verified application shows that on or about April 24, 1962, a copy thereof was served on various parties believed to be interested, including the California Trucking Associations, Inc. No objection to its being granted has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable. A public hearing is not necessary. The application will be granted.

Good cause appearing,

IT IS ORDERED that:

1. Harry McKenzie Trucking Co., a corporation, is hereby authorized under Section 3666 of the Public Utilities Code to transport brandy, in barrels, between Lac Jac, on the one hand, and Biola, Fowler, Monmouth, Mission Bell and Lodi, on the other hand, for Fromm & Sichel, Inc., at rates less than the established minimum rates but not less than the following, subject to a minimum weight of 40,000 pounds per shipment, and, as to Lodi, subject to the special conditions shown:

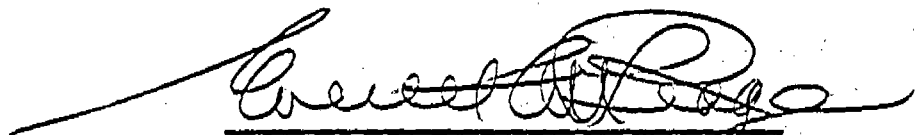
<u>Between Lac Jac and</u>	<u>RATE (In Cents per 100 Pounds)</u>
Biola	16.5
Fowler	13
Monmouth	13
Mission Bell	19
Lodi	29*

* Applicable only where an immediate backhaul of the same commodity in shipments of not less than 40,000 pounds from Lodi to Lac Jac results from each outbound haul from Lac Jac to Lodi.

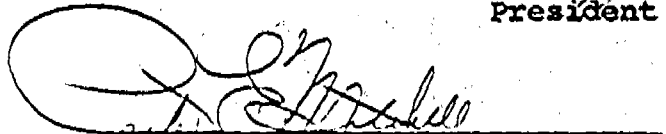
2. The authority herein granted shall, on and after June 17, 1962, supersede the authority granted by Decision No. 62039, and shall expire with June 17, 1963.


This order shall become effective twenty days after the date hereof.

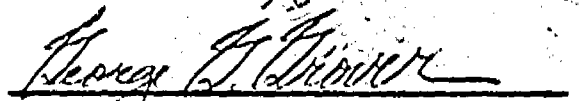
Dated at San Francisco, California, this 22nd day of May, 1962.




President









Commissioners