

Decision No. 6552S

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:)
)
 C. R. NICKERSON, Agent,)
)
 to establish Substituted Freight Service)
)
 For account of:)
)
 INSURED TRANSPORTERS, INC.)
 SOUTHERN PACIFIC COMPANY)
)
 For an order to maintain authorized de-)
 partures from the provisions of Article)
 XII, Section 21, of the Constitution of)
 the State of California, and Section)
 460 of the Public Utilities Code.)

Application No. 45366
 (Filed April 22, 1963)
 (Amended April 22, 1963
 and May 16, 1963)

OPINION AND ORDER

By this application, as amended, C. R. Nickerson, Agent, for and on behalf of the carriers parties to this application, seeks authority to publish rules and regulations in certain tariffs to permit Insured Transporters, Inc., to avail itself of trailer-on-flatcar facilities of Southern Pacific Company, as a substitute for highway service from Warm Springs to Los Angeles for the transportation of automobiles in initial movement only. Insured Transporters, Inc., possesses a certificate of public convenience and necessity from this Commission authorizing highway common carrier service between the points for which substituted service authority is sought herein.

Authority is also sought to depart from the long- and short-haul provisions of Section 460 of the Public Utilities Code in order to maintain rates for the transportation of automobiles, in initial movement, to directly intermediate points on a basis higher than the rates to more distant points over the same route. Applicant

also requests authority to make the necessary tariff publications effective on five days' notice to the Commission and to the public.

According to the application, Southern Pacific Company will substitute its service for that of Insured Transporters, Inc., from Warm Springs to Los Angeles at the rates and provisions made applicable for the latter's account. Applicant alleges that a more adequate service can be offered the general public by use of the substituted service herein sought for the following reasons:

1. Inability of Insured Transporters, Inc., to obtain experienced line-haul drivers during the heavy hauling season;
2. The necessity to overhaul power units at time when volume cargo is available for transportation;
3. To afford motor common carriers the opportunity of using its line-haul power equipment to areas not served by substituted freight service;
4. Under certain conditions it is more economical for Insured Transporters, Inc., to utilize substituted freight service between the points here involved than to acquire additional line-haul equipment during the heavy traffic season, particularly during the period when new models are advertised.

Applicant states that Insured Transporters, Inc., desires to avail itself of substituted freight service offered by Southern Pacific Company and that the rail line has indicated in writing its concurrence in the proposed tariff publications required by said service as specifically outlined in the application. The substituted freight service sought herein, applicant declares, is comparable to that authorized by the Commission in connection with the transportation of general commodities between points in California by other highway common carriers. The application indicates that the proposed tariff publications will result in reductions based on the rates proposed to be assessed which are set forth in Exhibit A attached to the application.

By letter dated May 29, 1963, Insured Transporters, Inc., informed the Commission that General Motors Corporation, the shipper to be served under this proposal, has advised that it will urgently need the proposed service to commence on June 10, 1963. The reasons given are that trucks will be coming off the production line at Fremont and that they must be moved out immediately; that there would not be enough units of motor vehicle equipment available to take care of the surge of truck production and, therefore, said units must be loaded on rail cars at origin and handled at Los Angeles, the interchange point, in substituted rail service.

The application and the amendments thereto show that copies thereof were served on all interested parties, including the California Trucking Association. No objection to the granting of the application, as amended, has been received.

In the circumstances, it appears, and the Commission finds, that the establishment of the substituted service as proposed herein, on five days' notice, will not be adverse to the public interest. A public hearing is not necessary. The application, as amended, will be granted.

In view of the apparent urgency of this matter, the order which follows will be made effective on the date hereof.

Good cause appearing,

IT IS ORDERED that:

1. C. R. Nickerson, Agent, is hereby authorized to publish, on behalf of Insured Transporters, Inc., and Southern Pacific Company, tariff provisions for substitute rail service as specifically proposed in the above application, as amended, and to depart from the provisions of General Order No. 80-A to the extent necessary to publish the tariff provisions as proposed in said application.

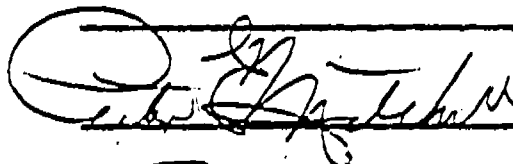
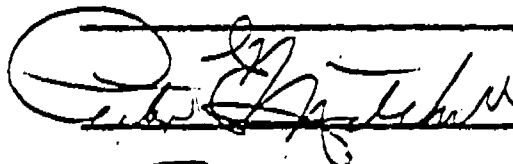
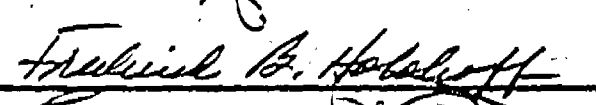
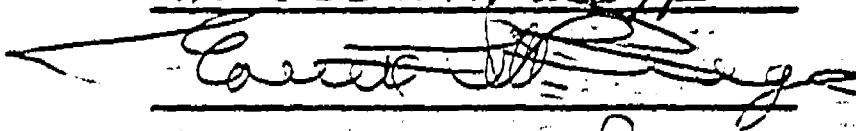

2. The carriers named in the above-numbered application are hereby authorized to depart from the long- and short-haul provisions of Section 460 of the Public Utilities Code in connection with rates that are currently maintained for the account of Insured Transporters, Inc. under outstanding long- and short-haul authorities.

3. The tariff filings made pursuant to the authority herein granted shall be made effective on not less than five days' notice to the Commission and the public.

4. The authority herein granted shall expire unless exercised within 120 days after the effective date hereof.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 4th day of June, 1963.

 President
 Acting President


 Commissioners

Commissioner George G. Grover, being necessarily absent, did not participate in the disposition of this proceeding.