

Decision No. 66383

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
into the rates, rules, regulations,
charges, allowances and practices)
of all common carriers, highway)
carriers and city carriers relat-)
ing to the transportation of any)
and all commodities between and)
within all points and places in)
the State of California (including)
but not limited to, transportation)
for which rates are provided in)
Minimum Rate Tariff No. 2).)

Case No. 5432
(Petition for Modification No. 311)
(Filed October 10, 1963)

OPINION AND ORDER

By Decision No. 64568, dated November 27, 1962, in Application No. 44861, Devine & Son Trucking Co., a corporation, was authorized as a highway common carrier to publish a rate of 6 cents per 100 pounds, minimum weight 44,000 pounds, for the transportation of lumber from Elk Creek to Willows. The rate is published to expire with December 11, 1963. Petitioner now seeks authority to continue the rate beyond that date.

This authority was originally granted to petitioner by Decision No. 62845 dated November 21, 1961, in Case No. 5432. As shown in said Decision No. 62845, petitioner continuously since 1953 has engaged in the transportation of lumber from Elk Creek to Willows, the nearest railhead, where the lumber is loaded into railroad cars and shipped to its destination points by rail. Prior to the authority granted by Decision No. 62845 in 1961, the rail cars were being shipped to locations outside of the State of California. The rate of 6 cents per 100 pounds for the transportation of lumber from Elk Creek to Willows was maintained as an interstate rate during and prior to 1961 and currently is maintained by petitioner

as both an interstate and intrastate rate.¹ The authority to establish the intrastate rate was granted by Decision No. 62845 upon a showing that petitioner had increasing requests for transportation service on shipments of lumber from Elk Creek to Willows railhead with destination points located within California. Assertedly it was necessary that petitioner publish uniform rates for the same service.

The evidence upon which Decision No. 62845 was based included a detailed study of petitioner's costs of transporting the lumber shipments from Elk Creek to Willows. Petitioner now states that the shipper, Glenco Forest Products Co., requests that said service be continued and the revenues produced by said transportation have been sufficient to defray the cost of rendering the service, plus a fair and just profit, as evidenced by a cost study marked Exhibit "B" attached to the petition. Petitioner alleges that it transports lumber from Elk Creek to Willows in interstate commerce at a rate of 6 cents per 100 pounds on a 40,000-pound minimum and, although during the past year there was an increase in labor costs and a small decline in the average load factor, over-all costs have been trimmed as a result of a slight increase in total use factor and a reduction in round trip time. Petitioner's financial statement for the year ending August 31, 1963, attached to the petition, shows also that petitioner's over-all operations were conducted at a profit.

A copy of the verified petition was mailed to the California Trucking Association on October 9, 1963. No objection to the granting of the petition has been received.

1

The corresponding rate otherwise applicable in Minimum Rate Tariff No. 2 for the transportation of lumber is currently 11 cents per 100 pounds.

In the circumstances, it appears, and the Commission finds, that the proposed rate is reasonable and justified by transportation conditions. A public hearing is not necessary. The petition will be granted. However, as the conditions surrounding the transportation may change, the authority will be limited to one year.

In view of the expiration date of the current authority, the following order will be made effective December 1, 1963.

Good cause appearing,

IT IS ORDERED that:

1. Devine & Son Trucking Co., a corporation, is hereby authorized to publish and file, to expire with December 11, 1964, a rate of 6 cents per 100 pounds, minimum weight 44,000 pounds, for the transportation of lumber from Elk Creek to Willows.

2. Tariff filings shall be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public.

The effective date of this order shall be December 1, 1963.

Dated at San Francisco, California, this 26th day of November, 1963.

William B. Brundt
President
John E. Ditcher
Creston A. Ray
George L. Hoover
Fredrick B. Hallock
Commissioners