

66927

ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
 OTTO TURK, a contract carrier, for)
 authority to charge less than minimum)
 rates on shipments of groceries and)
 related items, under Section 3666,)
 Sacramento to Oroville.)

Application No. 45864
 (Filed October 15, 1963,
 Amended January 14, 1964)

OPINION AND ORDER

Applicant holds a contract carrier permit issued by this Commission. By Decision No. 64248, dated September 11, 1962, in Application No. 44382, he was authorized to assess a rate less than the established minimum rate, but not less than 22 cents per 100 pounds, subject to a minimum weight of 36,000 pounds, for the transportation for Currier Brothers Market of groceries and related articles regularly sold or offered for sale by Valley Wholesale Co., from the latter's wholesale grocery establishment at Sacramento, to Currier Brothers Market, Oroville. That authority has expired.

By this application, authority is sought to assess a rate of 22 cents per 100 pounds, minimum weight 36,000 pounds, for the transportation service described in the preceding paragraph. As justification for the sought authority, applicant states that operations conducted under the authority granted in Application No. 44382 were profitable, and that it is expected that operations will be profitable under the proposed rate. In support of this allegation applicant has furnished in the amendment to his application a statement indicating that the reasonable cost per trip of transporting groceries and related commodities in shipments of 36,000 pounds from Valley Wholesale Co., Sacramento, to Currier

Brothers Market, Oroville. This statement shows that applicant's total expenses for the round trip would amount to \$64.00. Revenue per trip under the proposed rate would be \$79.20. The revenue per trip is well in excess of the total expenses developed by applicant. Applicant has also furnished a balance sheet as of January 1, 1964 and a profit and loss statement covering the period January 1, 1962 to December 31, 1962. The balance sheet shows total assets of approximately \$62,780, total liabilities of \$32,600 and net worth of approximately \$30,180. The profit and loss statement shows that applicant operated at a profit during the period covered by that statement.

Applicant states that he presently hauls three loads of groceries and supplies per week, averaging 40,000 pounds, for Currier Brothers Market from Sacramento to Marysville. Applicant alleges that the shipper, Currier Brothers Market, is satisfied with the proposed rate and applicant's service. Applicant also alleges that the shipper has advised applicant that if the authority sought herein is not granted, the shipper will purchase its own trucking equipment to perform the transportation service.

The application, as amended, shows that a copy thereof was served upon the California Trucking Association on or about January 14, 1964. 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. In accordance with the Commission's policy in these matters, the authority granted will be scheduled to expire in one year, unless sooner cancelled, modified or extended.

Good cause appearing,

IT IS ORDERED that:

1. Otto Turk is authorized to charge and collect a rate less than the applicable minimum rate, but not less than a rate of twenty-two cents per one hundred pounds, minimum weight 36,000 pounds, for the transportation for Currier Brothers Market of groceries and related articles regularly sold or offered for sale by Valley Wholesale Co., from the latter's wholesale grocery establishment at Sacramento, to Currier Brothers Market, Oroville.

2. Except as specifically provided in ordering paragraph 1 hereof, transportation described therein is subject to the minimum rates, rules and regulations set forth in Minimum Rate Tariff No. 2.

3. The authority granted herein shall expire with April 1, 1965, unless sooner cancelled, modified or extended by order of the Commission.

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

Dated at San Francisco, California, this 11th day of March, 1964.

Hullman La Berron
President

George H. Grover

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioners

Commissioner Frederick B. Holeboff, being necessarily absent, did not participate in the disposition of this proceeding.