

ORIGINALDecision No. 67432

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Case No. 5432
 (Petition for Modification
 No. 337)
 (Filed April 1, 1964,
 Amended May 4, 1964)

O P I N I O N

By this petition, as amended, Yreka Western Railroad Company, operating as a highway common carrier, seeks authority to publish rates on lumber and timbers from Indian Creek and Happy Camp to Yreka and Montague at levels lower than the applicable minimum rates named in Minimum Rate Tariff No. 2.

Specific point-to-point rates between these points are named in Item No. 700 of Minimum Rate Tariff No. 2. The minimum rate from Indian Creek to Yreka is 18½ cents per 100 pounds, and from Happy Camp to Yreka and Montague is 18 cents, subject to a minimum weight of 40,000 pounds. Petitioner seeks authority to publish corresponding rates of 12 cents and 11½ cents, subject to a minimum weight of 50,000 pounds. The rate would apply only when empty trailers are left for loading by consignor and loaded trailers are left for consignee to unload.

Petitioner states that the traffic here involved constitutes more than half of its revenues and that loss of this traffic would effectively eliminate petitioner as a public carrier. The petition states that the volume of this traffic is great enough to

enable it to obtain an extremely high use factor for its equipment, and spotting of trailers for loading and unloading permits continuous use of tractors.

Attached to the petition is a cost study which shows at the proposed rate for a load of 50,000 pounds, on shipments from Happy Camp, revenue of \$56.25, and expense of \$48.75, for an operating ratio of 86.7 percent, and on shipments from Indian Creek, revenue of \$60.00, and expense of \$52.89, for an operating ratio of 88.2 percent.

Petitioner also states that the shippers involved are aware of the cost of handling this traffic and of its desirable characteristics, and have advised petitioner that unless the proposed rates are established they will acquire their own equipment and haul their own lumber.

No protests to the granting of the petition have been received.

We find that establishment of the proposed reduced rates is necessary to enable petitioner to continue handling the transportation here involved and that petitioner can perform the transportation at a profit. We also find that the proposed rates are reasonable and are justified by transportation conditions. We conclude that the petition should be granted. A public hearing is not necessary. Because the conditions under which the service is performed may change at any time, the rate will be authorized only for a one-year period.

ORDER

IT IS ORDERED that Yreka Western Railroad Company is hereby authorized, on not less than ten days' notice to the Commission and to the public, to publish new Item 517 in its Freight Tariff 6-A, Cal. P.U.C. 2, as set forth in Exhibit A attached to Petition for Modification No. 337, as amended, in Case No. 5432, to expire one year after the effective date hereof.

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

Dated at San Francisco, California, this 23rd day of June, 1964.

[Signature] President
[Signature]
[Signature]
George F. Hoover
Fredrick B. Haliloff
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.