

**ORIGINAL**Decision No. 67615

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of RAILWAY EXPRESS )  
 AGENCY, INCORPORATED, to increase )  
 surface express commodity rates )  
 and charges on fish and seafoods. )

Application No. 46604  
 (Filed May 1, 1964)

OPINION AND ORDER

Railway Express Agency is an express corporation, a highway common carrier, a highway permit carrier and a city carrier operating within California and throughout the United States. It proposes to change its rates for the transportation of fish and seafood, most of such changes resulting in increases in rates. By this application it seeks authority to establish such increases.

Applicant's present California intrastate rates for the transportation of fish and seafood are set forth in its Miscellaneous Commodity Tariff No. 254. The charges under said tariff are subject to an additional charge of 25 cents per less-than-carload shipment authorized by the Commission in Decision No. 67165 dated April 28, 1964 in Application No. 46229.

Its present interstate rates for the transportation of fish and seafood are maintained in its Commodity Tariff No. 60. The basic rates therein are subject to an additional charge of 20 cents per less-than-carload shipment set forth in Rule 10 of Supplement 1 to said tariff and an additional charge of 25 cents per less-than-carload shipment prescribed in Supplement 4 to the tariff. The latter charge is the interstate counterpart of that authorized by said Decision No. 67165. Applicant proposes to make the rates in Tariff No. 60, together with the additional charges per shipment provided for in Supplements 1 and 4, applicable to intrastate traffic in California.

Exhibit B to the application is a comprehensive analysis of applicant's cost of transporting fish and seafood in California. The exhibit tabulates all shipments of fish and seafood transported by applicant between California points under the rates in Tariff No. 254 during the period September 9 through 13, 1963. For each shipment tabulated is shown the origin, destination, number of pieces, weight, number of transfers, the route miles, applicant's cost of handling the shipment, the line haul cost and the charges under the present rates and the proposed rates. The exhibit shows that the total revenue derived from the traffic under present rates was less than the cost of providing the transportation. The cost of transporting the 149 shipments weighing a total of 24,036 pounds is estimated at \$1,119.72. The revenue under the present rates was \$898.50 and under the proposed rates would have been \$1,220.85. The exhibit shows that the proposed rates and charges for small shipments (up to about 130 pounds) will still be less than the estimated cost of providing the service. The following tabulation showing the estimated cost, the revenue at the present rates and the revenue under the proposed rates for transporting shipments consisting of one or more pieces at the weights shown from Long Beach to Fresno illustrates the effect of the proposed rates.

TABLE I

Selected Shipments Transported By  
R.E.A. from Long Beach to Fresno  
(September 9-13, 1963)

<u>No. of Pieces</u>	<u>Weight in Pounds</u>	<u>Cost in Dollars</u>	<u>Revenue at Present Rates</u>	<u>Revenue at Proposed Rates</u>
1	63	\$ 5.34	\$ 2.81	\$ 3.18
1	125	6.10	4.64	5.88
1	215	7.12	7.65	9.78
2	20	6.08	2.81*	2.81*
2	235	8.33	8.32	10.65
3	299	10.26	10.47	13.43
3	338	10.59	11.77	15.12
3	485	12.58	16.70	21.50
4	361	12.11	12.54	16.12
4	417	12.59	14.42	18.55

\* Minimum Charge

The above tabulation becomes more significant when it is noted that the average weight of the 149 shipments transported was 160 pounds and the average weight per piece in the shipments was slightly less than 105 pounds.

No one has made the Commission aware of any opposition to the proposed rates. The proposed rates are the same as those maintained by applicant for transportation between and within the Pacific and Rocky Mountain states.

We find that the present rates are insufficient and unreasonably low and that the proposed increases are justified. We conclude that applicant should be authorized to establish the proposed rates on not less than ten days' notice to the Commission and to the public and that a public hearing is not necessary.

Applicant requests authorization to depart from the requirements of General Order No. 80-A to the extent necessary to permit publication of tariffs in the same form as those filed with the Interstate Commerce Commission. We find that departure from the requirements of General Order No. 80-A, other than the provisions of Rule 5.8(c) pertaining to the use of symbols, is justified.

IT IS ORDERED that:

1. Railway Express Agency, Incorporated, is authorized to establish the increased rates proposed in Application No. 46604. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date hereof on not less than ten days' notice to the Commission and to the public.

2. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

3. Applicant is authorized to depart from the requirements of General Order No. 80-A, with the exception of departure from Rule 5.8(c), to the extent necessary to establish the increased rates authorized herein.

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

Dated at San Francisco, California, this 28<sup>th</sup> day of July, 1964.

Fredrick B. Halachoff  
President  
Arthur E. Halachoff  
Charles E. Halachoff  
George T. Traver  
William L. Bunker  
Commissioners