

ORIGINAL

Decision No. 71521

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 McCloud River Trucking Company, a)
 Corporation, and McCloud River Railroad)
 Company, a Corporation,)
 (1) For a Certificate of Public Con-)
 venience and Necessity Authorizing)
 McCloud River Trucking Company to pro-)
 vide highway common carrier service)
 over California Highway 89 and U.S.)
 Highway 299 between McCloud, California,)
 and Burney, California, and for author-)
 ity to deviate twenty (20) miles each)
 side of the authorized route;)
 (2) For authority for McCloud River)
 Trucking Company to issue 4,000 shares)
 of its authorized, but unissued, common)
 capital stock, par value \$5.00 per share,)
 to McCloud River Railroad Company for)
 \$20,000 cash;)
 (3) For authority for McCloud River)
 Railroad Company to acquire 4,000 shares)
 of the authorized, but unissued, common)
 capital stock of McCloud River Trucking)
 Company, a public utility.)

Application No. 44706

SUPPLEMENTAL OPINION AND ORDER

McCloud River Trucking Company, a corporation, possesses a certificate of public convenience and necessity authorizing it to operate as a highway common carrier for the transportation of general commodities between McCloud (Siskiyou County) and Burney (Shasta County) and various other points.

McCloud River Trucking Company has informed the Commission that it is a wholly owned subsidiary of McCloud River Railroad Company, a corporation, which in turn is controlled by United States Plywood Corporation through ownership of 98 percent of the railroad's capital stock. Through purchase of stock, McCloud River Trucking Company owns Barbero Truck Lines, a corporation, and N.T.S. Inc. doing business as Norcal Transport Service.

In issuing certificates where it appears that there is an affiliation between carrier and shipper by reason of common ownership, management or control, it is the Commission policy to specify that not less than the applicable tariff rates shall be paid by such carrier to subhaulers engaged to carry property of the affiliated company or property of the affiliated company's customers or suppliers.

In the circumstances, it appears, and the Commission finds, that the certificate of McCloud River Trucking Company should be restricted with respect to the carrier-shipper affiliation involved in the manner hereinbefore mentioned. The Commission concludes that the certificate should be amended accordingly.

IT IS ORDERED that:

1. Decision No. 64539, dated November 9, 1962, as amended by Decision No. 70312, dated February 1, 1966, in Application No. 44706, is hereby further amended by incorporating the following ordering paragraph:

"5. Whenever McCloud River Trucking Company engages other carriers for the transportation of property of McCloud River Railroad Company or United States Plywood Corporation or Barbero Truck Lines or N.T.S. Inc., doing business as Norcal Transport Service, or customers or suppliers of said companies or corporations, McCloud River Trucking Company shall not pay such other carriers rates and charges less than the applicable rates and charges published in McCloud River Trucking Company's tariffs on file with the Commission."

2. In all other respects, Decision No. 64539, as amended, shall remain in full force and effect.

The Secretary is directed to cause service of a certified copy of this order to be made upon McCloud River Trucking Company or to mail a certified copy thereof to it at its last known address as shown in the Commission's records.

The effective date of this order shall be the thirtieth day after such service upon McCloud River Trucking Company or after the above mailing to it unless before such effective date there shall have been filed with this Commission a written request for public hearing, in which event the effective date of this order shall be stayed until further order of the Commission.

Dated at San Francisco, California, this 9th day of November, 1966.

John S. Mitchell
President

George T. Trover

William H. Hoff

August

William W. Binnick
Commissioners