

Decision No. 71622**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of YOSEMITE PARK AND CURRY CO. (YOSEMITE TRANSPORTATION SYSTEM) for authority to increase its rates for transportation of freight as a highway common carrier between Merced and Yosemite National Park, California.

Application No. 48613
(Filed July 12, 1966)

Brobeck, Phleger & Harrison, by Gordon E. Davis for Yosemite Park and Curry Co., applicant.
Thomas R. Kerr, for Mariposa Express and
F. S. Konles, for Valley Express Co. and Valley Motor Lines, Inc., interested parties in Application No. 48613 and protestants in Application No. 48614.
J. C. Kaspar, Arlo D. Poe and H. F. Kollmyer, for California Trucking Association, interested party.
Joseph C. Matson and Robert W. Stich, for the Commission staff.

O P I N I O N

Yosemite Park and Curry Co., a highway common carrier, requests authority to increase its rates for the transportation of property between Merced and Yosemite National Park and intermediate points. In Application No. 48614, also filed on July 12, 1966, Yosemite Park and Curry Co., operating as a passenger stage corporation, seeks an amendment to its certificate to permit the transportation of express between Merced and Yosemite National Park, and to remove existing restrictions on express service between Merced and Mariposa.

Public hearing was held on Applications Nos. 48613 and 48614 on a common record before Examiner Gagnon at Merced on October 14, 1966. Application No. 48613 is not opposed. Submission of Application No. 48614 was made subject to the receipt of a late-filed exhibit. In view of the separate and distinct issues involved

and for the convenience of all the parties, Application No. 48613 will be considered separately, and after submission of Application No. 48614, the latter will be decided by a separate order.

Applicant's principal business is the operation of hotels and recreational facilities in Yosemite National Park (the Park), under contract with the Secretary of the Interior. Incidental to its principal business, applicant operates as a highway common carrier between Merced and the Park and intermediate points, with certain exceptions, along State Route No. 140.

The present and proposed general freight rates of Yosemite Park and Curry Co. are set forth in the following table:

Yosemite Park and Curry Co.
Local Freight Tariff No. 3

General Commodities, except empty carriers returning.

Between Merced And	Rate in Cents Per 100 lbs. (Any Quantity)		Minimum Charge			
	Present	Proposed	Per Shipment		Present	Proposed
			(1)	(2)	(1)	(2)
Bear Creek	61	90	35	61	50	90
Whispering Pines	61	90	35	61	50	90
Briceburg	61	90	35	61	50	90
Indian Flat	66	100	35	66	50	100
El Portal	66	100	35	66	50	100
Yosemite Valley	66	100	35	66	50	100

(1) Under 25 Pounds

(2) 25 Pounds and Over

The present general commodity rates have been in effect since April 1, 1947. Applicant's present rates for empty carriers returning, which became effective August 27, 1945, are 35 cents per 100 pounds between Merced and Yosemite Valley, El Portal and Indian Flat, and 30 cents per 100 pounds between points located closer to Merced. It is proposed that the rates for empty carriers returning be increased to 50 cents per 100 pounds between all points.

Applicant's for-hire freight service is operated in conjunction with its proprietary hauling. While Yosemite Park and Curry Co. assertedly does not wish to make a profit on its public freight business, it does desire to maintain rates for service to the public which will cover the direct costs of rendering the service. It was explained that such freight service is offered mainly as an accommodation to the various rural communities located between Merced and Yosemite National Park, visitors in the Park and employees of applicant currently residing in the Park.

Testimony was presented to show that applicant's operating expenses have risen substantially since the present rates became effective in 1945 and 1947. Applicant's labor costs for truck drivers in 1966 were more than double those experienced in 1947. Applicant contends its present rates do not cover direct expenses associated with rendering the freight service. During the year 1965 applicant received \$2,436 for its public freight hauling, and had the present freight rates been charged for proprietary traffic, additional revenue of \$12,940 would have been received. The total revenue for 1965 would have been \$15,376; the total direct operating expense (Exhibit 6) for the same period having been \$22,782, a direct operating loss of \$7,406 would have resulted. Such loss is approximately 48 percent of the total revenue and constitutes the basis for the sought increase in rates.

The proposed rates and charges are substantially less than those specified in the Commission's Minimum Rate Tariff No. 2. Applicant contends that the circumstances upon which the Commission based its authorization for applicant to maintain its rates at less than the otherwise prescribed minimum rates still prevail.^{1/}

^{1/} Decision No. 40915, Case No. 4808, dated November 12, 1947 (unreported) exempted Yosemite Park and Curry Co. from observing the rates and rules named in Minimum Rate Tariff No. 2.

After consideration, the Commission finds that the proposed increases in rates and charges have been shown to be justified. We conclude that Application No. 48613 should be granted.

ORDER

IT IS ORDERED that:

1. Yosemite Park and Curry Co. is authorized to establish the increased rates proposed in Application No. 48613. 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.

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

Dated at San Francisco, California, this 29th day of NOVEMBER, 1966.

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

 President
George T. Trover

Fredrick B. Holhoff

William B. Bennett

August

 Commissioners