ORIGINAL

Decision No. 71989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of DEVINE & SON TRUCKING CO., a corporation, for authority to publish a rate lower than the established minimum rate for the transportation of lumber from Paskenta to Corning, California.

Application No. 48918 (Filed November 1, 1966)

J. J. Devine, for Devine & Son Trucking Co., applicant.

Don Crane, for Cranc Mills, interested party.

Robert W. Stich and Joseph C. Matson, for the Commission staff.

OPINION

Devine & Son Trucking Co., a corporation, operating as a highway common carrier of lumber, requests authority to publish a rate of 6-1/2 cents per 100 pounds, subject to a minimum weight of 44,000 pounds per unit of carrier's equipment, for the transportation of lumber from Paskenta to Corning. The applicable minimum rate, named in the Commission's Minimum Rate Tariff No. 2, is 12 cents per 100 pounds, minimum weight 44,000 pounds.

Application No. 48918 was heard and submitted for decision on December 20, 1966, before Examiner Gagnon, at Sacramento. Copies of the application and the notice of hearing were properly served. The Commission's transportation division staff assisted in the development of the record. The requested authority is not opposed.

^{1/} By Decision No. 62845, in Case No. 5432, dated November 21, 1961 (Unreported) Devine & Son Trucking was granted similar authority for the transportation of lumber from Elk Creek to Willows.

A. 48918 ds Applicant is engaged in the transportation of lumber (milled, surfaced or finished) from Paskenta to points in California, including Corning which is the railhead serving Paskenta for beyond interstate or intrastate rail movements of lumber. Applicant's present interstate common carrier rate for the off-rail movement of lumber from Paskenta to Corning is 6-1/2 cents per 100 pounds, minimum weight 44,000 pounds. In connection with intrastate movements of lumber from Paskenta to Corning, Devine & Son Trucking seeks authority to also establish in its California tariffs a rate of 6-1/2 cents per 100 pounds, subject to a minimum weight of 44,000 pounds per unit of carrier's equipment used. Applicant is currently transporting both interstate and intrastate shipments of lumber from Paskenta to Corning for Crane Mills. The transportation service performed by Devine & Son Trucking is the same for each class of shipments transported. Applicant's truck equipment is loaded and unloaded by the shipper with fork-lift equipment during regular working hours. Since applicant may perform trucking services on a 24-hour basis, the carrier is occasionally required to perform unloading services at Corning, at which time the shipper's fork-lift equipment is available to the carrier. Crane Mills has operated lumber-producing facilities at Paskenta for more than 20 years. It contends that the California intrastate rate applicable to its shipments of lumber from Paskenta to Corning should be the same as the existing interstate movement of lumber between the same points. The shipper explained that at present it operates only one truck, but in the event the sought relief is not authorized, serious -2A. 48918 ds consideration will be given to the purchase of additional truck equipment for the proprietary hauling of its lumber shipments from Paskenta to Corning. Devine & Son Trucking contends that, under its proposed rate of 6-1/2 cents per 100 pounds, the intrastate transportation involved herein will produce revenues sufficient to defray the cost of rendering the service, plus a fair and just profit. A cost study submitted with the application was further explained in considerable detail by applicant's president. The study indicates that the proposed rate will be compensatory. In the circumstances, the Commission finds that the proposed rate is reasonable and justified by transportation conditions. We conclude that the sought authority should be granted. Because the conditions under which the service is performed may change at any time, the authority will be made to expire at the end of one year. ORDER IT IS ORDERED that: 1. Devine & Son Trucking Co., a corporation, operating as a highway common carrier, is hereby authorized to publish and file a rate of 6-1/2 cents per 100 pounds, minimum weight 44,000 pounds per unit of carrier's equipment used, for the transportation of lumber (milled, surfaced or finished) from Paskenta to Corning. Tariff filings shall be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public. -3-

A. 48918 ds

3. The authority granted herein shall expire on

February 5, 1968, unless otherwise ordered by the Commission.

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

Dated at San Francisco, California, this day of FERRIARY, 1967.

President

Augusta