

Decision No. 74104

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
W. J. Tannahill & Sons, a corporation,) Application No. 50143  
for authority to deviate from the ) (Filed April 4, 1968)  
established minimum rates. )

OPINION AND ORDER

Applicant operates as a radial highway common carrier, highway contract carrier and city carrier. By Decision No. 72374 dated May 2, 1967, in Application No. 49254, applicant was authorized to assess rates and charges lower than those proscribed as minimum for the transportation of lumber and other forest products, except sash and doors, for Owens-Parks Lumber Company from the shipper's yard in Vernon to points within 40 constructive miles thereof. The authority permits the assessing of a rate of \$5.00 per thousand board feet, subject to hourly penalty charges, in lieu of the minimum rates which are based on weight and distance. The current authority is scheduled to expire with May 31, 1968. By this application, applicant seeks an extension of its authority and an adjustment in the rate per thousand board feet from \$5.00 to \$4.50.

Applicant alleges that the aggregate gross revenue at the thousand-board-foot rate is substantially greater than would result if the minimum rates were applied and the shipper desires that transportation charges be assessed on a board-foot basis in the interest of convenience and efficiency in billing as it sells its lumber on a board-foot basis. Assertedly, this method of billing,

which has been in effect for over 29 years, has proven simple, economical and effective under cooperative billing arrangements with Owens-Parks Lumber Company. Applicant further alleges that there has been no substantial change affecting the operating conditions to an extent which would warrant any change in the present method of handling the traffic. Applicant avers that the conditions heretofore shown and presented to the Commission still exist except that the need for relief is greater now than it was at the time the original authority was granted.

Applicant contends that the home construction industry, the principal user of lumber, slowed down in the spring of 1966 and continued throughout part of 1967 and that it and the shipper voluntarily increased the rate per thousand board feet from \$4.00 to \$5.00 to offset the decline in the volume of the movement. Applicant states that the revenue on this traffic increased 33.14 percent in the last 6 months of 1967 over the first 6 months of that year and that the shipper expects to triple in 1968 the volume of business it had in 1967. According to applicant, the Owens-Parks Lumber Company business represents more than 98 percent of its traffic and, unless the relief herein sought is granted, it will not be able to retain this traffic.

Revenue and expense data submitted by applicant indicate that the transportation involved has been profitable and reasonably may be expected to be profitable in the future.

The application shows that a copy thereof was served upon California Trucking Association on or about April 1, 1968. The application was listed on the Commission's Daily Calendar of April 8, 1968. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that applicant's proposal is reasonable and consistent with the public interest. A public hearing is not necessary. The Commission concludes that the application should be granted. However, as the conditions surrounding the transportation may change, this authority will be made to expire at the end of one year.

In view of the impending expiration date of the current authority, the order which follows will be made effective May 31, 1968.

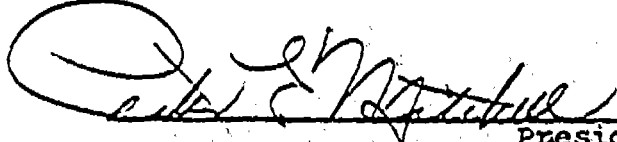
IT IS ORDERED that:

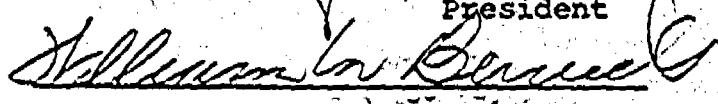
1. W. J. Tannahill & Sons, a corporation, is hereby authorized to depart from the provisions of the minimum rate orders otherwise applicable to the services which it performs for Owens-Parks Lumber Company to the extent specifically set forth in Appendix A attached hereto and by this reference made a part hereof and to assess rates less than the minimum rates otherwise applicable for such services but not less than the rates set forth in and subject to the conditions shown in said Appendix A.

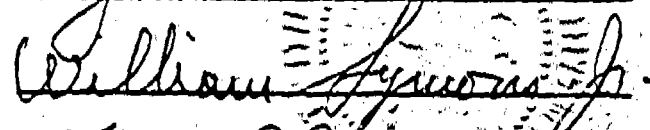
2. The authority herein granted shall, on and after May 31, 1968, supersede the authority granted by Decision No. 72374 and shall expire with May 31, 1969.

This order shall become effective May 31, 1968.

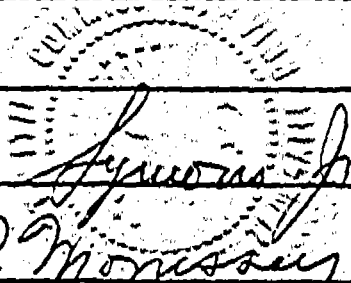
Dated at San Francisco, California, this 14<sup>th</sup> day of May, 1968.

  
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President

  
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Fred P. Monahan

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Commissioners



APPENDIX A TO DECISION NO. ~~74104~~

(1) Rate and charges for the transportation of Lumber and Forest Products as described in Paragraph (2) hereof for the Owens-Parks Lumber Company from the lumber company's yard at Vernon to points within 40 miles thereof, as computed in accordance with the rules in Distance Table No. 6.

\$4.50 per thousand board feet, subject to the following additional charges:

Hourly penalty charge shall be assessed in addition to the foregoing for unnecessary delays in loading, C.O.D., and all other delays, on the following basis:

\$10.00 per hour for trucks of any capacity.

\$12.00 minimum charge for each delivery and for each component part of a split delivery. Deliveries within the same tract or compound shall be treated as a single delivery.

(2) LUMBER AND FOREST PRODUCTS, viz.:

Forest Products, whether or not creosoted or otherwise chemically treated, viz.:

Atmospheric Water Cooling Towers, knocked down, and Iron or Steel Fixtures for same, consisting of Castings, Tie Rods not exceeding 30 feet in length, and Turnbuckles, weight of such fixtures not to exceed 10% of the total weight of shipment,

Bark,

Bee Hives, knocked down,

Blocks, wooden paving, creosoted or uncreosoted,

Bolts, wooden,

Brackets, insulator (wooden),

Cants, wheel, wooden, in the rough,

Covers, guy wire,

Cross Arms, wooden, with or without riveted ends, and with or without wooden pins attached,

Heading,

Honey Box Lumber,

Lath,

Lumber,

Pencil Slats,

Pickets,

Piles,

Pins, Insulator,

Pipe Material, wooden (See Note 1),

Pipe, wooden (See Note 1),

Poles, plant, plain, creosoted or stained,

Poles, telegraph and telephone,

Posts,

Sawdust,

Shakes,

LUMBER AND FOREST PRODUCTS (Concluded)

Shavings,  
Shingles,  
Ship Knees,  
Shook, box and crate,  
Silo Material, wooden, and Fixtures (See Note 2),  
Stakes, plain, creosoted or stained,  
Staves,  
Steps, pole (wooden),  
Stock, battery separator, machined, viz.: grooved,  
furrowed or corrugated, not treated with caustic  
soda, asphaltum or other solution,  
Tank Material, wooden, and Fixtures (See Note 3),  
Ties, railroad,  
Timbers, rough,  
Timbers, mining,  
Wedges, mine.

ALSO

BUILDING WOODWORK (HOUSE TRIM), not further finished  
than primed, viz.:

Astragals,  
Balusters,  
Balustrade Work,  
Base Boards,  
Beads, angle corner, cornice,  
Blinds (shutter) slatted or solid,  
Blocks (base, center, corner, head),  
Built-in Fixtures (See Note 4), viz.:  
Book Cases,  
Breakfast Nook Sets, consisting of Seat Boards  
and Ends, Table Tops and Legs,  
Buffets,  
Cases or Chests of Drawers,  
China Closets,  
Cooler Closets,  
Cupboards,  
Ironing Boards,  
Kitchen Cabinets,  
Mantel Shelves,  
Medicine Cabinets,  
Sideboards,  
Sinkboards,  
Sink Sets,  
Telephone Cabinets,  
Window Seats,  
Caps, column,  
Casing, door and window, panel,  
Closet and Pantry Fittings,  
Columns,  
Cornice Brackets,  
Frames (Blind, screen and door),  
Frames, window, with or without pulleys,  
Gable Ornaments,  
Grille Work,  
Gutters,  
Hand Rails,  
Jambs, door,

BUILDING WOODWORK (HOUSE TRIM), not further finished  
than primed, viz.: (Concluded)

Molding, casing,  
Molding, carpenter's,  
Paneling,  
Pilasters,  
Plywood,  
Porch Work,  
Rosettes,  
Screens, door and window,  
Scroll Work,  
Shelves, knocked down,  
Spindles,  
Stair Work, (newels, risers, treads, trolises,  
railing, balusters, post ornaments),  
Veneering,  
Wainscoting,  
Window Stools and Aprons,

- Note 1. - The rates on Pipe Material and Wooden Pipe will include iron bands and wooden or iron connections therefor, consisting of ells, tees, crosses, reducers, bends and weyes, the weight of the iron bands and wooden or iron connections not to exceed 10 per cent of the weight of the entire shipment.
- Note 2. - The rates on Silo Material and Fixtures will include doors and fixtures for same, also including iron or steel bands, hoops, lugs and bolts for same. The weight of fixtures, gauge and iron or steel bands, or hoops and lugs not to exceed 20 per cent of the weight of the entire shipment.
- Note 3. - The rates on Tank Material and Fixtures will include gauge, iron or steel bands, or hoops and lugs, the weight of fixtures, gauge and iron or steel bands, or hoops and lugs, not to exceed 20 per cent of the weight of the entire shipment.
- Note 4. - Rates apply only on Built-in-Fixtures as described to be built in and become a permanent part of Building Woodwork (House Trim).

(End of Appendix A)