

ORIGINAL

Decision No. 74128

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
HARRY MCKENZIE TRUCKING CO.,)
a corporation, for an order)
authorizing departure from the rates,)
rules and regulations of Minimum Rate)
Tariff No. 2, pursuant to the provisions)
of Section 3666 of the Public Utilities)
Code for the transportation of brandy.)

Application No. 50181
(Filed April 18, 1968)

OPINION AND ORDER

Applicant holds radial highway common carrier, highway contract carrier and city carrier permits. ¹ By Decision No. 72480 dated May 23, 1967, in Application No. 49293, applicant was authorized to transport brandy, in barrels, for Fromm & Sichel, Inc., between Lac Jac, on the one hand, and Biola, Fowler, Monmouth and Mission Bell, on the other hand, at rates less than the established minimum rates. The current authority is scheduled to expire with June 17, 1968.

By this application, authority is sought to continue the deviation from the established minimum rates for a further one-year period. Applicant also requests that the authority be modified to exclude the currently authorized rate between Lac Jac and Mission Bell.

Applicant alleges that, except for increased labor costs which became effective April 1, 1968, no other substantial changes

¹ It is also authorized to operate as a highway common carrier of specified commodities between points not involved herein.

in cost have occurred and none are anticipated. Applicant avers that the present margin of profit for the transportation involved is adequate to cover any unforeseen increases in labor costs or any other cost increases which may accrue during the coming year.

Applicant states that no request is sought to continue the authorized rate between Mission Bell and Lac Jac because the shipper no longer has the need for truck service between the points involved.

Data furnished by applicant indicate that the transportation involved has been profitable and reasonably may be expected to be profitable in the future.

Applicant declares that the record in prior proceedings has indicated that the shipper, Fromm & Sichel, Inc., is prepared to engage in proprietary operations, should the need arise, and has the necessary facilities to do so. Applicant asserts that continuation of the authority sought herein is essential in order that it may retain the shipper's traffic.

The certificate of service shows that copies of the application were mailed to various parties believed to be interested, including California Trucking Association. The application was listed on the Commission's Daily Calendar of April 19, 1968. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. Harry McKenzie Trucking Co., a corporation, is hereby authorized to transport brandy, in barrels, between Lac Jac, on the one hand, and Biola, Fowler and Monmouth, on the other hand, for Fromm & Sichel, Inc., at rates less than the established

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minimum rates but not less than the following, subject to a minimum weight of 40,000 pounds per shipment:

<u>Between Lac Jac and</u>	<u>RATE (In Cents Per 100 Pounds)</u>
Biola	16.5
Fowler	14
Monmouth	12.5

2. The authority herein granted shall, on and after June 17, 1968, supersede the authority granted by Decision No. 72480 and shall expire with June 17, 1969.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 21st day of May, 1968.

John E. Mitchell
President

William L. Bennett

Augusta

William Lyndon Jr.

Fred P. Monrosey
Commissioners