

ORIGINAL

Decision No. 74238

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into)
the rates, rules, regulations, charges,)
allowances and practices of all common)
carriers, highway carriers and city)
carriers relating to the transportation)
of any and all commodities between and)
within all points and places in the)
State of California (including, but not)
limited to, transportation for which)
rates are provided in Minimum Rate)
Tariff No. 2).)

Case No. 5432
(Petition for Modification
No. 503
(Filed May 13, 1968)

In The Matter Of The Application of)
MITCHELL BROS. TRUCK LINES for)
authority to publish a rate less)
than the minimum rates set forth)
in Minimum Rate Tariff No. 2)

Application No. 50233
(Filed May 13, 1968)

INTERIM OPINION AND ORDER

By Decision No. 72639 dated June 20, 1967, in Case No. 5432 (Petition for Modification No. 461), Mitchell Bros. Truck Lines, a corporation (hereinafter called petitioner), was authorized (1) to publish a less-than-minimum rate of 15 cents per 100 pounds, minimum weight 50,000 pounds, for the transportation of lumber, timbers and railroad ties from Crescent City to Arcata as a highway common carrier and (2) to transport boards or sheets (particleboard), plywood and veneering, as a highway contract carrier, for Hambro Forest Products, Inc., and Simpson Wholesale Company from Crescent City to Arcata at a less-than-minimum rate of 15 cents per 100 pounds, minimum weight 50,000 pounds. The published rate and authority are scheduled to expire June 27 and 20, 1968, respectively.

By this petition and application, authority is sought to publish and file the above common carrier rate on less-than-statutory notice, to depart from the long- and short-haul provisions of Section 460 of the Public Utilities Code in connection with such publication and to assess the same less-than-minimum rate for the aforementioned highway contract carrier operations. In the event that it is deemed that a hearing is necessary or desirable in this matter, petitioner requests that the Commission grant it temporary authority to continue to publish and assess the rates in question as it will not be able to retain this traffic pending the outcome of such a hearing.

Petitioner states that it is engaged predominantly in the transportation of lumber and forest products and that it has experienced a serious decline in revenue in its over-all operations on shipments of such commodities during the past few years. Petitioner alleges that, in the past year, there has been a substantial increase in revenue in connection with the transportation herein involved due to the fact that less-than-minimum rates were authorized for such transportation pursuant to Decision No. 72639, supra.

Petitioner declares that the new Klamath River Bridge has been opened to traffic moving between points herein involved and, as a result thereof, the mileage from Crescent City to Arcata has been reduced from 76 to approximately 72 actual miles. Petitioner contends that the new stretch of road is free of curves and that the driving time between the points involved has been reduced by approximately 20 minutes enabling it to make a round trip between Crescent City and Arcata in 4 hours and 15 minutes.

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

Petitioner avers that Hambro Forest Products, Inc., and Simpson Wholesale Company have informed it that the minimum rates for the transportation in question are unrealistic and, unless the proposed rates are granted, they will have no alternative but to lease or purchase their own trucks. Petitioner asserts that it maintains a terminal in Crescent City and that the aforementioned traffic is of vital importance to its continued operations in that area.

The certificate of service shows that a copy of the joint petition and application was mailed to California Trucking Association on May 9, 1968. The petition and application were listed on the Commission's Daily Calendar of May 14, 1968. California Trucking Association has, by letter, requested that the matter be set for public hearing before a final order is issued. No objection to the granting of the petition and application on an interim basis has been received.

Subject to further review upon consideration of additional evidence which may be adduced at a public hearing to be scheduled in these proceedings, it appears, and the Commission finds, that the proposed rates are reasonable and justified by transportation conditions. In view of the existing threat of proprietary transportation and of petitioner's urgent need for the rate relief sought herein, the Commission concludes that petitioner should be granted interim authority to perform such transportation, in accordance with its respective operating authorities, at the proposed rates for a period of approximately six months, unless sooner canceled, changed or extended by order of the Commission. A future hearing will be scheduled in these proceedings.

In view of the impending expiration dates of the current authorities, the order which follows will be made effective June 20, 1968.

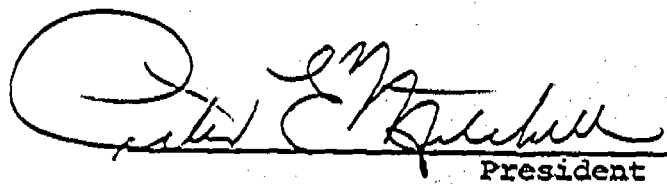
IT IS ORDERED that:

1. Mitchell Bros. Truck Lines, a corporation, is hereby authorized, as a highway common carrier, to publish and file, to expire with December 27, 1968, a rate of 15 cents per 100 pounds, minimum weight 50,000 pounds, for the transportation of lumber, timbers and railroad ties from Crescent City to Arcata.
2. Tariff publications authorized to be made as a result of the order herein may 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 to the public.
3. Mitchell Bros. Truck Lines, a corporation, is hereby authorized to depart from the long- and short-haul provisions of Section 460 of the Public Utilities Code to the extent necessary to exercise the authority granted herein. Schedules containing the rate published under this authority shall make reference to this order.
4. Mitchell Bros. Truck Lines, a corporation, is hereby authorized, as a highway contract carrier, to transport boards or sheets (particleboard), plywood and veneering for Hambro Forest Products, Inc., and Simpson Wholesale Company from Crescent City to Arcata at a rate less than the applicable minimum rate but not less than 15 cents per 100 pounds, minimum weight 50,000 pounds.
5. The authority granted in ordering paragraph 4 above shall expire with December 27, 1968.

6. A public hearing shall be scheduled in these proceedings for the receipt of evidence on this petition and application and final disposition thereof.

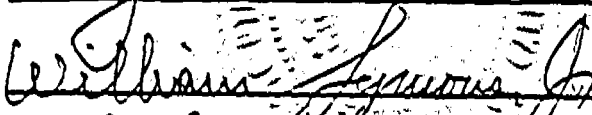
This order shall become effective June 20, 1968.

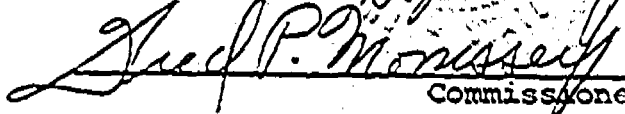
Dated at Los Angeles, California, this 17th day of June, 1968.



President







Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.