ORIGINAL

Decision No. _75191

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of RAGUS TRUCKING INC., a California corporation, for authority to continue to charge less than minimum rates pursuant to Section 3666 of the Public Utilities Code, for the transportation of freight, all kinds, in truckload lots for the AKRON stores.

Application No. 50751 (Filed December 16, 1968; Amended December 20, 1968)

OPINION AND ORDER

In this application Ragus Trucking Inc., a highway contract carrier, seeks extension of the authority granted in Decision No. 73734, dated February 14, 1968, in Application No. 49685, to charge less than the established minimum rates for the Akron stores. In that decision, after hearing, applicant was authorized to transport freight, all kinds, with certain exceptions, in two 27-foot van-trailers moving in combination from Akron's warehouse in Sun Valley to Akron's retail store at San Francisco or Santa Clara at a rate of \$231.75 per load, subject to a minimum charge for 70 loads in a three-month period. In the event the two vans comprising a single unit of equipment are dropped or picked up, one at Santa Clara and one at San Francisco, an additional charge of \$20.00 shall be assessed. Akron must load and unload the equipment. Said authority is scheduled to expire on February 28, 1969.

The application herein requests continuance of the authority for another one-year period subject to three modifications: that the charge per load in a single unit of equipment

be increased to \$237.50; that the Southern California origin or destination now located at Sun Valley be changed to spply from that location and from a new location at 2000 East Carson Street, Los Angeles; and that the authority sought in this application supersede the authority granted in Decision No. 73734 on February 1, 1969.

The application alleges that there have been three changes in circumstances which warrant the increase in the sought rate for the forthcoming year, viz.: minor increases in carriers' costs; an increase in the class rates in Minimum Rate Tariff No. 2; and the change in location of Akron's warehouse, which results in a greater constructive mileage.

The application states that applicant has given full consideration to the changed circumstances and that based on its experience it believes that the proposed charge of \$237.50 will be compensatory.

Attached to the application are a balance sheet as of September 30, 1968, a profit and loss statement for the nine-month period ended September 30, 1968, an equipment list, and a cost analysis of operations under the proposed rates.

Applicant's operating statement for the nine-month period shows an operating profit of \$12,154 on gross revenues of \$348,728. The cost analysis indicates that revenues under the proposed rate will exceed, by a substantial margin, the developed total expenses assigned to the operations to be performed for Akron.

A copy of the application was served upon the California Trucking Association, which has advised the Commission by letter dated December 18, 1968, that it has no objection to the ex parte consideration requested in the application. Notice of the filing of the application appeared on the Commission's Daily Calendar of December 18, 1968. There are no protests.

In the circumstances, the Commission finds that the proposed rates will be reasonable, and concludes that the application should be granted. The order herein will be made effective on February 1, 1969 and will supersede the prior authority.

IT IS ORDERED that:

- 1. Ragus Trucking Inc., a corporation, is authorized to transport "Freight, All Kinds", for The Akron between the Sun Valley and Los Angeles warehouses of said company, on the one hand, and retail stores of said company located at San Francisco and Santa Clara, on the other hand, at rates less than the minimum rates set forth in Minimum Rate Tariff No. 2, but in no event lower in volume or effect than the charges and conditions set forth in Appendix A, attached hereto and by this reference made a part hereof.
- 2. The authority granted herein will expire on Februery 28, 1970.

3. On and after the effective date hereof the authority granted herein will supersede the authority granted by Decision No. 73734 in Application No. 49685.

The effective date of this order shall be February 1, 1969.

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Commissioner J. P. VUKASIN, JR.

Prosent but not participating.

Commissioner THOMAS MORAN
Present but not participating.

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APPLICATION OF CHARGES

Carrier:

Ragus Trucking Inc.

Shipper:

The Akron

Commodity:

Freight, all kinds, except commodities listed in

Note 5.

Charge:

\$237.50 per load, in carrier's single unit of

equipment.

Minimum Charge:

The charge for 70 loads during each of the following

periods:

3.

December 1, 1968 to February 28, 1969*
March 1, 1969 to May 31, 1969
June 1, 1969 to August 31, 1969
September 1, 1969 to November 30, 1969
December 1, 1969 to February 28, 1970

* At the charge of \$231.75 per load.

Between:

The Akron Warehouse, 9175 San Fernando Road, Sun Valley, California, or The Akron Warehouse, 2000 East Carson Street, Los Angeles, on the one hand;

And:

The Akron Retail Store, 2490 Mason Street, San

Francisco, California;

and/or

The Akron Retail Store, 3951 Stevens Creek Road, Santa Clara, California, on the other hand.

Conditions:

- Single unit of equipment means a tractor and one or two 27-foot van-trailers moving in combination, as a single unit.
- Akron must perform loading at origin and unloading services at destination, and lading to move under Akron's seal, subject to Akron's load and count. Note 2.
- Note 3. In the event the two vans comprising a single unit of equipment are dropped or picked up one at Santa Clara and one at San Francisco, an additional charge of \$20.00 will be assessed.

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- Note 4. If as a result of causes beyond the control of either shipper or carrier such as fire, strike, lockout or acts of God, the service to one or both stores is interrupted, the minimum charge shall be in proportion to the number of days service is provided.
- Note 5. Charges will not apply when any of the following articles are included in the lading:

Animals, live

Articles, described under Rule 780 of the National Motor Freight Classification A-9.

Bulk Commodities

Coal and Coke

Dangerous Articles, as defined in Minimum Rate Tariff No. 2.

Game, live

Ice

Missiles, guided, or Rockets, guided; Guidance Systems or Electronic Guidance Control Apparatus for installation in missiles or in missile section; Missile or Rocket Frame Assemblies containing electronic apparatus, or Mobile Missile Guidance Control Systems.

Pigeons, live

Poultry, live

Sugar

United States Mail of any class