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Decision No. 75383

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of AMERICAN TRANSFER CO., a Corporation, under Section 3666 of the Public Utilities Code of the State of California, for authority to Charge Rates Less than Those Prescribed in Minimum Rate Tariff No. 2 for the Transportation of Lumber from Dinkey Creek to Fresno, California, for the Account of GENERAL BOX DISTRIBUTORS.

Application No. 50817 (Filed January 13, 1969)

OPINION AND ORDER

By Decision No. 73338, dated November 14, 1967, American Transfer Co. was granted authority to transport fresh-cut rough lumber for Yancey Lumber Co. and General Box Distributors from Tollhouse and Dinkey Creek, respectively, to Fresno at rates less than the established minimum rates set forth in Minimum Rate Tariff No. 2. This authority expired December 31, 1968. The transportation is seasonal, the logging season starting about April 1. By this application authority is sought for the 1969 season at the same rate as last year, but only from Dinkey Creek. Applicant was authorized to assess a rate of \$8.50 per 1,000 board feet, minimum 10,000 board feet per unit of equipment.

Applicant states that it has experienced considerable difficulty in observing the established minimum lumber rates in Minimum Rate Tariff No. 2 in connection with shipments from Dinkey Creek to Fresno. The transportation involved herein from Dinkey Creek will allegedly be on a 24-hour basis, six days a week. Applicant states that there are no truck scales on route of movement. The carrier also states that there are no off route truck

^{1/} The current minimum rates in Minimum Rate Tariff No. 2 for the transportation of lumber from Dinkey Creek to Fresno are 25 and 21 cents per 100 pounds, minimum weights 40,000 and 50,000 pounds, respectively.

scales available day or night without traversing an excessive amount of out-of-line haul mileage.

Applicant contends that the use of average weights as a basis for charges is not feasible, because the actual weight per 1,000 board feet of fresh-cut rough lumber varies substantially, from approximately 2,000 pounds to 4,000 pounds per 1,000 board feet. The carrier explains that the provided weights in Item 680 of Minimum Rate Tariff No. 2 do not apply to the type and grade of lumber it transports from Dinkey Creek. Applicant avers that the use of rates expressed in terms of "cents per 1,000 board feet" in lieu of "cents per 100 pounds," which is the basis used for expressing the minimum lumber rates, is not only necessary because of the lack of truck scale facilities in this particular instance, but also because such units of measurement are in common usage within the lumber industry.

Attached to the application are statements of revenues and expenses. These statements show that this transportation has been performed at a profit, and can be expected to be performed at a profit during the coming season.

The certificate of service shows that a copy of the application was served on the California Trucking Association on January 8, 1969. The application was also listed on the Commission's Daily Calendar of January 14, 1969. No objections have been received to the granting of the sought relief.

Applicant requests that interim authority be granted pending a hearing. However, as this is a seasonal operation, and was the subject of a public hearing on September 27, 1967, and conditions surrounding the transportation have not materially changed, a further hearing at this time does not appear necessary.

The Commission finds that the proposed rates are reasonable. We conclude that the application should be granted without a public hearing, the authority to expire with December 31, 1969.

IT IS ORDERED that:

- 1. American Transfer Co., a corporation, is authorized to transport fresh-cut rough lumber for General Box Distributors from Dinkey Creek to Fresno 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 rates set forth in Appendix A, attached hereto and by this reference made a part hereof.
- 2. The authority granted herein shall expire December 31, 1969, unless sooner canceled, modified or extended by order of the Commission.

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

Dated at <u>for Francisco</u>, California, this #

APPENDIX A

APPLICATION OF RATES

Carrier:

American Transfer Co.

Shipper:

General Box Distributors

Commodity:

Fresh-cut rough lumber

From:

Dinkey Creek

To:

Fresno

Rate:

\$8.50 per 1,000 board feet

Minimum Quantity:

10,000 board feet per unit of carrier's equipment used.

Application of Rates - General: Except as otherwise provided herein, the rates and rules of Minimum Rate Tariff No. 2 shall apply.

(End of Appendix A)