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Decision No. 78576

ORIGINAL

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. 634)
(Filed March 4, 1971)

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

Application No. 52482
(Filed March 4, 1971)

OPINION AND ORDER

By Decision No. 77871 dated October 27, 1970, in Application No. 51434 and Case No. 5432 (Petition for Modification No. 559), Mitchell Bros. Truck Lines, a corporation (hereinafter called petitioner), was authorized (1) to publish a less-than-minimum rate of 16 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 16 cents per 100 pounds, minimum weight 50,000 pounds. The published rate and authority are scheduled to expire with April 30, 1971.

By this petition and application, authority is sought to publish and file the above common carrier rate for an additional one-year period on less-than-statutory notice and to depart from the long- and short-haul provisions of Section 460 of the Public Utilities Code in connection with such publication. Petitioner also requests authority to assess the same less-than-minimum rate for the aforementioned highway contract carrier operations for another one-year period.

Petitioner states that it is engaged predominantly in the transportation of lumber and forest products and that it had experienced a serious decline in revenue in its operations within California on shipments of such commodities during the years 1964 and 1965. Petitioner indicates in Exhibit F attached to its application and petition that there has been a substantial increase in revenue in connection with the transportation herein involved since 1965 and alleges that this increase is due to the fact that less-than-minimum rates were authorized for such transportation.^{1/}

Revenue and expense data submitted by applicant indicate the transportation involved has been profitable and reasonably may be expected to be profitable for the ensuing year.

Petitioner avers that Hambro Forest Products, Inc., Simpson Wholesale Company and Hubbard & Johnson Lumber Co. 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.

^{1/} Exhibit F shows a rise in revenue from \$159,185.00 for 1965 to \$1,272,127.72 for 1970. The less-than-minimum rates were first authorized for the transportation in question pursuant to Decision No. 70141 dated December 21, 1965, in Case No. 5432 (Petition for Modification No. 399).

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 March 1, 1971. The petition and application were listed on the Commission's Daily Calendar of March 8, 1971. No objection to the granting of the petition and application has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable and justified by transportation conditions. A public hearing is not necessary. The Commission concludes that the petition and application should be granted to the extent indicated in the ensuing order.

In view of the impending expiration date of the current authority, the order which follows will be made effective on the date hereof.

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 April 30, 1972, a rate of 16 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 two days after the effective date of this order on not less than two 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 16 cents per 100 pounds, minimum weight 50,000 pounds.

5. The authority granted in ordering paragraph 4 above shall, on and after April 30, 1971, supersede the authority granted by Decision No. 77871 and shall expire with April 30, 1972.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 20th day of

APRIL, 1971.

William L. Snow, Jr. Chairman
[Signature]
Yessan L. Sturgeon
[Signature] Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.