

ORIGINAL

Decision No. 80994

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's )  
own motion into the operations, )  
rates, charges, and practices of )  
CLAUDE R. SNEAD, an individual, )  
doing business as C. R. SNEAD, )  
and L. S. JONES TIMBER PRODUCTS )  
CORP., a California corporation. }

Case No. 9439  
(Filed September 19, 1972)

Claude R. Snead, for himself, respondent.  
Lionel B. Wilson, Attorney at Law, and E. H. Hjelt, for  
the Commission staff.

### O P I N I O N

Public hearing was held before Examiner O'Leary at Stockton on November 1, 1972 on which date the matter was submitted.

Respondent Claude R. Snead, doing business as C. R. Snead (Snead), operates pursuant to a radial highway common carrier permit. Respondent L. S. Jones Timber Products Corp. (Jones) is the party for whom the transportation which is the subject of this investigation was performed.

Snead maintains a truck terminal on a four-acre site at Stockton. The terminal has an office and a repair shop for truck equipment. Snead operates 10 tractors and 12 trailers and employs 10 drivers and one mechanic. He reported to the Commission that his gross operating revenue for 1971 and the first half of 1972 totaled \$768,682.00.

This investigation pertains to the transportation of lumber from Soulsbyville to various points in Southern California.

The evidence of the staff discloses that between January 18, 1971 and August 23, 1971 Snead transported 124 shipments of lumber from Soulsbyville to various points in Southern California at rates less than the minimum rates set forth in Minimum Rate Tariff 2, resulting in undercharges totaling \$6,299.49. The cause of the undercharges is the assessment of improper rates. Exhibit 4 sets forth the rate and charge assessed by Snead, the minimum rate and charge

applicable, and the resultant undercharge for each of the 124 shipments.

No evidence was presented by Snead or Jones.

The staff recommended that Snead be ordered to collect the undercharges, pay a fine in the amount of the undercharges pursuant to Section 3800 of the Public Utilities Code, pay a fine in the amount of \$1,500 pursuant to Section 3774 of the Public Utilities Code, and cease and desist from violations of the Public Utilities Code. The staff also requested that the Commission take official notice that Jones held a highway contract carrier permit from July 1, 1962 to July 11, 1972 and place Jones on notice that pursuant to Sections 3802 and 3804 of the Public Utilities Code it could be subject to fines and penalties for knowingly and willfully violating any provision contained in Division 2, Chapter 1 of the Public Utilities Code.

Snead stated he thought he was receiving more than the minimum rate for the transportation performed for Jones and would not be able to pay the fine recommended by the staff.

A review of the Commission's records does not disclose that Jones held the authority of which the staff requested official notice be taken.

#### Findings

1. Snead operates pursuant to a radial highway common carrier permit:
2. Between January 18, 1971 and August 23, 1971 Snead transported 124 shipments of lumber for Jones at rates less than the minimum rates resulting in undercharges totaling \$6,299.49.

#### Conclusions

1. Snead has violated Sections 3664 and 3737 of the Public Utilities Code and should pay a fine pursuant to Section 3800 of the Public Utilities Code in the amount of \$6,299.49 and in addition thereto should pay a fine pursuant to Section 3774 of the Public Utilities Code in the amount of \$500.
2. Snead should be ordered to collect the undercharges from Jones.

The Commission expects that Snead will proceed promptly, diligently, and in good faith to pursue all reasonable measures to collect the undercharges. The staff of the Commission will make a subsequent field investigation into the measures taken by Snead and the results thereof. If there is reason to believe that Snead or his attorney has not been diligent, or has not taken all reasonable measures to collect all undercharges or has not acted in good faith, the Commission may reopen this proceeding for the purpose of determining whether further sanctions should be imposed.

O R D E R

IT IS ORDERED that:

1. Respondent Claude R. Snead shall pay a fine of \$6,799.49 to this Commission on or before the twentieth day after the effective date of this order.
2. Respondent Claude R. Snead shall take such action, including legal action, as may be necessary to collect the undercharges set forth herein and shall notify the Commission in writing upon the consummation of such collections.
3. Claude R. Snead shall proceed promptly, diligently, and in good faith to pursue all reasonable measures to collect the undercharges and in the event undercharges ordered to be collected by paragraph 2 of this order or any part of such undercharges remain uncollected sixty days after the effective date of this order, Claude R. Snead shall file with the Commission, on the first Monday of each month after the end of said sixty days, a report of the undercharges remaining to be collected, specifying the action taken to collect such undercharges and the result of such action, until such undercharges have been collected in full or until further order of the Commission.

The Secretary of the Commission is directed to cause personal service of this order to be made upon Claude R. Snead. The effective date of this order, as to this respondent, shall be

twenty days after completion of personal service. The Secretary is further directed to cause service by mail of this order to be made upon L. S. Jones Timber Products, Inc. The effective date of this order, as to this respondent, shall be twenty days after completion of service by mail.

Dated at San Francisco, California, this 30<sup>th</sup>  
day of JANUARY, 1973.

William J. Sturgeon President  
Vernon L. Sturgeon  
John J. Sturgeon  
William J. Sturgeon Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.