

Decision No. 81018**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. 734
 (Filed January 10, 1973)

OPINION AND ORDER

Boyd Trucking Co., Inc. (Boyd) operates as a highway common carrier. By Decision No. 79697 dated February 8, 1972 in Case No. 5432, Boyd was granted authority to publish and file a rate less than the established minimum rate but not less than 32 cents per 100 pounds, minimum weight 90,000 pounds per shipment, for the transportation of Incense Cedar Pencil Stock, from Anderson (Shasta County), including all points within the railhead limits of Anderson, to San Leandro. By this petition, authority is sought to continue the current deviation from the minimum rates for an additional one-year period, but to increase the rate to 33.5 cents. The present rate is scheduled to expire February 28, 1973.

The proposed 1.5-cent increase is intended to offset increased wage costs experienced during the past year. Otherwise, there have been no significant changes in the operation.

The petitioner states that the service performed under the existing rate authority has been profitable. In support of such assertion, current financial and related cost information pertaining to Boyd's results of operation was submitted in the form of exhibits attached to the petition. The exhibits indicate that for the five-month period ending May 31, 1972 and the four-month period ending September 30, 1972, the transportation here involved experienced operating ratios of 76.5 percent and 80.5 percent, respectively. The exhibit also shows a projected operating ratio of 76.9 percent under the proposed increased rate.

Petitioner alleges that the threat of proprietary operations, unless the sought relief is granted, still prevails. It is further contended that the revenues obtained from the services involved constitute a significant part of Boyd's gross revenues and are essential to petitioner's operations. No significant increases in operating costs are anticipated in the immediate future which would substantially affect the profitability of the transportation service.

The certificate of service shows that copies of the petition were mailed to the California Trucking Association and the California Farm Bureau Federation on January 9, 1973. The petition was listed on the Commission's Daily Calendar of January 11, 1973. No objection to petitioner's request for an ex parte order authorizing the sought relief has been received.

In the circumstances, the Commission finds that:

1. Petitioner's results of operations, under its existing minimum rate authority, have been profitable and the transportation service involved may reasonably be expected to continue to be profitable during the ensuing year.
2. The sought rate is reasonable and justified by transportation conditions.

3. The sought increase of 1.5 cents is justified.

We conclude that Boyd Trucking Co., Inc. should be granted authority to publish the proposed rate for a one-year period. A public hearing is not necessary. In view of the expiration date of the current authority, the order which follows will be made effective on the date hereof.

IT IS ORDERED that:

1. Boyd Trucking Co., Inc., a corporation, is hereby authorized to publish and file, to expire with February 28, 1974, a rate of 33.5 cents per 100 pounds, minimum weight 90,000 pounds per shipment, for the transportation of lumber, viz: Incense Cedar Pencil Stock, from Anderson (Shasta County), including all points within the railhead limits of Anderson, to San Leandro, and further subject to the following conditions:

- (a) The lumber shall be prepared for shipment by the consignor.
- (b) The lumber shall move in units consisting of approximately 6,840 pounds each and approximately 8 units shall be loaded on each truck. Two trucks, each hauling approximately 8 units, shall be loaded at the consignor's Anderson yard and shall move together to San Leandro where unloading shall be effected. The operation shall be conducted on a continuous 24-hour basis and in excess of 225 days a year.
- (c) Loading of the lumber at Anderson and unloading at San Leandro shall be performed by consignor and consignee, respectively, with forklift trucks supplied by, and operated by employees of, consignor and consignee.

2. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than one day after the effective date hereof on not less than one day's notice to the Commission and the public.

3. Boyd Trucking Co., Inc., in establishing and maintaining the rates authorized hereinabove, is hereby authorized to depart from the provisions of Section 460 of the Public Utilities Code so as to adjust long- and short-haul departures which are necessary under the authority granted herein; and schedules containing the rates published under this authority shall make reference to this order.

The effective date of this order is the date hereof.

Dated at San Diego, California, this 6th
day of FEBRUARY, 1973.

Vernon L. Sturgeon
President
William J. Synovis
William J. Synovis
Sam M. ...
Edward J. ...
Commissioners