

Decision No. 83793**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 CATALINA FREIGHT LINE, a corporation,  
 to increase rates for the transpor-  
 tation of freight between LOS ANGELES  
 HARBOR and CATALINA ISLAND, CALIFORNIA,  
 pursuant to Section 454 of the Public  
 Utilities Code.

Application No. 55190  
 (Filed September 18, 1974)

O P I N I O N

Catalina Freight Line operates as a common carrier of freight by vessel between the Port of Los Angeles and Santa Catalina Island. It here seeks authority to increase its minimum charge applicable to shipments of personal effects, uncrated furniture, appliances and accessories, and to increase its storage rates.

The proposed increase in the minimum charge is in response to an admonishment contained in Decision No. 82995 dated June 18, 1974 in Application No. 54712 that applicant review its rate structure to assure that certain articles, particularly those of low density, of high value, or requiring special handling, have rates that will cover their cost of transportation. It is estimated that the proposed increase in the minimum charge will provide it with about \$2,700 additional revenue per year. The proposed increase in storage rates is to discourage use of applicant's terminal as a warehouse, for which it is not designed. It is estimated that the net effect of that increase will be about \$100 per year.

The proposed increases are less than 1 percent of applicant's gross revenues and will not fully offset the operating loss projected in Decision No. 82995. The proposed rate adjustments apply to services which do not assume their fair share of the total cost burden. The proposed rates are reasonable and the increases resulting therefrom are justified.

A copy of the application was served upon the City Clerk of the city of Avalon. Notice of the filing of the application was provided in the Commission's Daily Calendar on September 23, 1974. There are no protests.

We conclude that the application should be granted. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Catalina Freight Line, a corporation, is authorized to establish the increased rates proposed in Application No. 55190. Tariff publications authorized to be made as a result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

2. The authority shall expire unless exercised within ninety days after the effective date of this order.

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

Dated at San Francisco, California, this 10<sup>th</sup> day of DECEMBER, 1974.

Vernon L. Sferguson  
President  
William S. Sferguson  
Thomas M. Sferguson  
Robert E. Sferguson  
Commissioners