

**ORIGINAL**Decision No. 58100

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Consolidated Freightways, Inc., )  
 a corporation, (successor on merger to Lamb )  
 Transportation Company, a corporation ) for ) Application No. 40854  
 authority to transport petroleum coke in bulk )  
 from Torrance to Wilmington, California, at )  
 less than the established minimum rates. )

OPINION AND ORDER

Consolidated Freightways, Inc., holds radial highway common carrier, highway contract carrier and city carrier permits.<sup>1</sup> It also holds certificates to operate as a highway common carrier and as a petroleum irregular route carrier between points not involved in this proceeding. By this application, it seeks authority as a highway contract carrier to assess rates lower than the prescribed minimum rates for the transportation of petroleum coke from Torrance to Wilmington for the Great Lakes Carbon Corporation.

Applicant is the successor on merger and dissolution to the operations and assets of Lamb Transportation Company, a California corporation. Authority similar to that herein sought was held by Lamb Transportation Company, and was extended to the present applicant on an interim basis to permit the preparation of evidence from which the Commission might determine the reasonableness of continuing the authority (Decision No. 57392, dated September 29, 1958, in Application No. 33222).

Applicant alleges that it has continued to conduct the transportation herein involved in the same manner as it was formerly conducted by Lamb Transportation Company. It further alleges that the circumstances justifying deviation from the minimum rates continue to exist, and that, unless it is permitted to apply rates lower than the prescribed minimum it may lose this traffic to proprietary trucking.

<sup>1</sup> Applicant's radial highway common carrier permit is conditioned to exclude the transportation involved in this proceeding (Decision No. 57392 of September 29, 1958, in Application No. 33222).

A cost study attached to the application indicates that a rate of 51 cents per ton for the first 300,000 tons in a 12-month period and a rate of 46 cents per ton for tonnage in excess of 300,000 tons would return costs and provide a profit. Applicant alleges that to the extent the minimum rates exceed these amounts they appear to be unjust and unreasonable.

In the circumstances, it appears, and the Commission finds, that the aforementioned rates are reasonable. The application will be granted. A public hearing is not necessary. In view of the expiration date of the current authority, the following order will be made effective March 16, 1959.

Therefore, good cause appearing,

IT IS ORDERED:

(1) That Consolidated Freightways, Inc., is hereby authorized to transport petroleum coke, in bulk, from Torrance to Wilmington for the Great Lakes Carbon Corporation at less than the established minimum rates, but not less than 51 cents per ton for the first 300,000 tons transported in the 12-month period from March 16, 1959, to March 16, 1960, and 46 cents per ton for each ton in excess of 300,000 tons.

(2) That the authority herein granted shall expire March 16, 1960, unless sooner canceled, changed or extended by order of the Commission.

The effective date of this order shall be March 16, 1959.

Dated at San Francisco, California, this 10th day of March, 1959.

E. L. Fox  
President

Walter J. DeLoach

Theodore J. Jensen

Everett W. Rye  
Commissioners