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**ORIGINAL**

Decision No. 59666

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CONSOLIDATED FREIGHTWAYS CORPORATION OF DELAWARE, a corporation, for authority to transport ground talc in bulk from Los Angeles to Kaiser, California, at less than the established minimum rates. ) Application No. 41874

OPINION AND ORDER

Consolidated Freightways Corporation of Delaware holds radial highway common carrier, highway contract carrier and city carrier permits. 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, filed January 21, 1960, authority is sought by Consolidated Freightways Corporation of Delaware, as a highway contract carrier, to transport ground talc in bulk from Los Angeles to Kaiser for the American Minerals Company at a rate lower than the prescribed minimum rate.

Authority similar to that herein sought was held by applicant's predecessor on reorganization, Consolidated Freightways, Inc., Lamb Tank Lines Division. That authority is scheduled to expire March 16, 1960. Authority is now sought to continue to deviate from the minimum rates until March 16, 1961.

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Applicant alleges that generally similar conditions exist concerning this transportation under applicant's operations as heretofore existed when transportation was conducted by its predecessor. A cost study attached to the application indicates that for the transportation involved Consolidated's present costs are \$57.26 per load. The revenue at the proposed rate and minimum weight is \$67.20 per load. On this basis the operation would result in a profit of \$9.94 per load and an operating ratio of 85.20 percent.

The application avers that to the extent the minimum rate exceeds the proposed rate it is unjust and unreasonable, and alleges that, unless applicant is permitted to continue transportation in accordance with the proposed rate, it may lose such transportation to proprietary trucking.

The Transportation Division staff has reviewed the verified application and has recommended that the sought authority be granted.

In the circumstances, it appears, and the Commission finds, that the proposed rate is reasonable. The application will be granted. A public hearing is not necessary.

Therefore, good cause appearing,

IT IS ORDERED:

(1) That Consolidated Freightways Corporation of Delaware is hereby authorized to transport ground talc, in bulk, from Los Angeles to Kaiser for the American Minerals Company at less

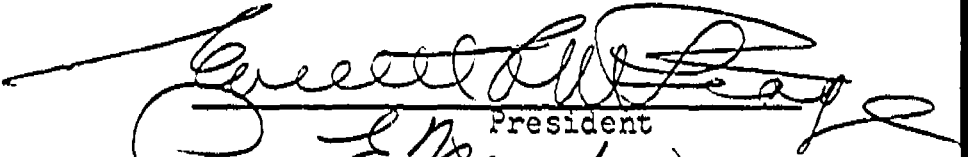


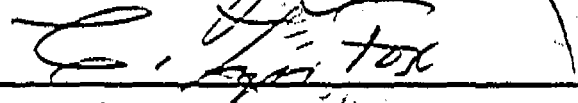
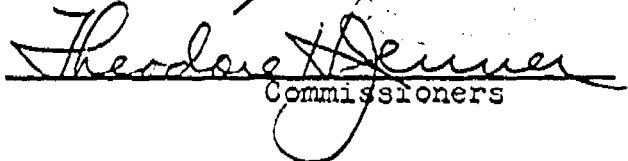
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than the established minimum rate but not less than 14 cents per 100 pounds, minimum weight 48,000 pounds.

(2) That the authority herein granted shall expire March 16, 1961, unless sooner canceled, changed or extended by order of the Commission.

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

Dated at San Francisco, California, this 16th day of February, 1960.

  
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President  
  
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Commissioners