

ORIGINALDecision No. 59739

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
 into the rates, rules and regula-)
 tions, 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. 175

O P I N I O N

Blasi Transportation, a corporation, operates as a highway common carrier between points in this State. By this petition, filed on January 6, 1960, it seeks authority to establish and apply a rate for the transportation of sawdust in bulk for Fersolin Corporation lower in volume and effect than the applicable minimum rate.

The movement in question will be from the plant of Molalla Forest Products, located three miles south of Cloverdale, to the plant of Fersolin Corporation at Windsor. The latter plant is now under construction. When the plant is completed it will produce fertilizer from sawdust originating at the above-mentioned Molalla plant.

The minimum rate, and that published in petitioner's tariff, applicable to the movement from the Molalla plant to Windsor is 9 cents per 100 pounds, minimum weight 30,000 pounds. Authority herein sought is for a rate of 5 cents per 100 pounds, minimum weight 45,000 pounds.

According to the petition, Fersolin owns trailer equipment suitable for this transportation. Under the proposal herein

Fersolin would supply the trailer, at no rental charge, to Blasi, which would utilize said trailer, in conjunction with its own tractor and driver, in the performance of the transportation in question.

The application further states that said transportation will be performed under circumstances of unusual efficiency. The trailer will be loaded by gravity from a bunker at the point of origin, and is equipped with a self-contained power belt unloading device which will permit mechanical unloading at point of destination. It is anticipated that an average of two loads of sawdust per day, six days per week, will be transported from the Molalla plant to Windsor under the proposed arrangement. The traffic will be moved at the carrier's convenience, and assertedly there will be no waiting time either at point of origin or at point of destination. The movement will continue throughout the year.

According to a cost study attached to the petition, the revenue per load under the proposed rate at the minimum weight of 45,000 pounds will be \$22.50 and the estimated full cost, including overhead, of the round-trip movement from the Molalla plant to Windsor and return amounts to \$19.42. These figures reflect an estimated profit of \$3.08 per load and an operating ratio, before income taxes, of 86.3 per cent.

The petition alleges that the presently applicable rate is unreasonable for the transportation here in issue. Fersolin has advised Blasi, the petition further alleges, that unless the sought rate is established Fersolin will purchase a tractor and will itself move the traffic in proprietary service.

No one has opposed the granting of the petition.

Upon consideration, we are of the opinion and hereby find that the rate herein sought will be reasonable and is justified by

transportation conditions. The petition will be granted. A public hearing is not necessary.

It is not proper to publish common carrier rates from or to the establishments of particular individuals or concerns, except in special cases where the conditions are shown to be such as to justify that treatment. Therefore, and in view of the fact that the costs of record appear to justify it, petitioner will be authorized to publish the sought rate from Cloverdale to Windsor. Also, since circumstances may change at any time, the authority to be hereinafter granted will be limited to a period of one year.

O R D E R

Based upon the findings and conclusions set forth in the preceding opinion,

IT IS ORDERED that:

1. Blasi Transportation, a corporation, be and it is hereby authorized to publish and make effective, on not less than thirty days' notice to the Commission and to the public, a rate less than the minimum rate but not less than five cents per 100 pounds, minimum weight 45,000 pounds, on sawdust, in bulk, from Cloverdale to Windsor.
2. Said rate shall be made subject to the condition that it shall apply when (1) carrier furnishes only the tractor and (2) consignee furnishes trailer equipment, rent free, said equipment to be provided with mechanical unloading device.
3. Said rate shall be published to expire one year after the effective date thereof.
4. Said 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 29th day
of FEBRUARY, 1960.

President

[Signature]

[Signature]

[Signature]

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Commissioners