

60585

Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Consolidated Freightways)
Corporation of Delaware, a corporation,) Application No. 42460
for authority to charge less than mini-)
mum rates for the transportation of)
diatomaceous earth.)

OPINION AND ORDER

Applicant 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 Decision No. 58938, dated August 25, 1959, in Application No. 41291, it was authorized, as a highway contract carrier, to assess a rate less than the applicable minimum rate for shipments of diatomaceous earth for Great Lakes Carbon Corporation from Lease No. 2 Quarry, located eight miles southeast of Lompoc, to Lompoc. The authority is scheduled to expire August 30, 1960.

By this application, filed July 13, 1960, authority is sought to continue to charge less than the minimum rate otherwise applicable for a period of not less than one year at the same rate previously authorized, but to increase the minimum weight from 40,000 pounds to 50,000 pounds.¹

The application shows that on or about July 12, 1960, a copy thereof was served on California Trucking Associations, Inc. No objection to its being granted has been received.

¹

No authority for the increase is required from this Commission, inasmuch as applicant, insofar as this proceeding is concerned, is a permitted carrier for which only minimum rates have been established. Authority to continue the use of the previously authorized rate beyond August 30, 1960, is required, however, inasmuch as the rate is below the minimum rate otherwise applicable.

According to the application, shipper and carrier have found the arrangement to be mutually satisfactory and beneficial. A cost study, Exhibit "A" of the application, setting forth revised figures reflecting actual operations since August 30, 1959, shows that the figures contained in Exhibit "A" (cost study) appended to Application No. 41291, dated July 7, 1959, were for the most part realized, with the exception that the average load, originally contemplated at 25 tons, actually averaged 26 tons over the past ten months.

Applicant asserts that the higher average load has allowed it a greater profit than originally expected and that such profit is at least sufficient to offset any and all increases in costs which it has experienced in performing this service since August 30, 1959. It is alleged that the efficiency of applicant's operation and the continuous character of the movement have combined to render the presently-applicable rate fully compensatory.

In the circumstances, it appears, and the Commission finds, that the proposed rate is reasonable. A public hearing is not necessary. The application will be granted. However, as the conditions surrounding the transportation may change, the extension will be limited to one year unless sooner canceled, changed or extended by order of the Commission.

By Decision No. 58938, supra, applicant's radial highway common carrier permit was restricted to exclude the transportation of the same commodity between the same points as those here involved. This restriction was necessitated by the provision of Section 3542 of the Public Utilities Code. The code provision was amended in September, 1959, obviating the need for the permit restriction. The restriction will be eliminated.

Due to the expiration date of the current authority the following order will be made effective August 30, 1960.

Therefore, good cause appearing,

IT IS ORDERED:

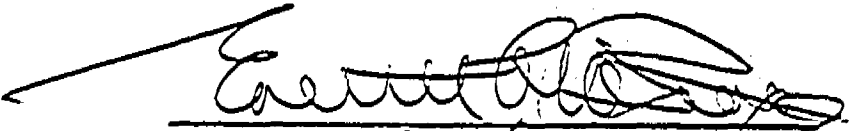
(1) That Consolidated Freightways Corporation of Delaware is hereby authorized to transport diatomaceous earth for Great Lakes Carbon Corporation from Lease No. 2 Quarry of Great Lakes Carbon Corporation, located eight miles southeast of Lompoc, to Lompoc, at a rate of not less than 49.7 cents per ton, subject to a minimum weight of 50,000 pounds per load, in lieu of the minimum rate otherwise applicable.

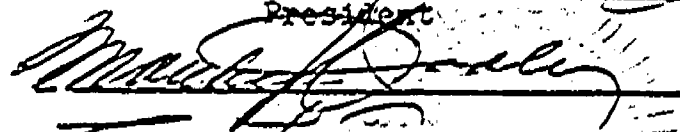
(2) That the limitation placed against the radial highway common carrier permit held by Consolidated Freightways Corporation of Delaware by Decision No. 58938, dated August 25, 1959, in Application No. 41291, which excluded the transportation thereunder of the same commodity between the same points as are involved herein, is hereby removed.

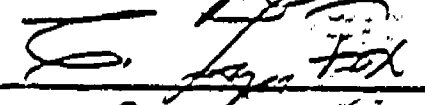
(3) That the authority herein granted shall expire August 30, 1961, unless sooner canceled, changed or extended by order of the Commission.

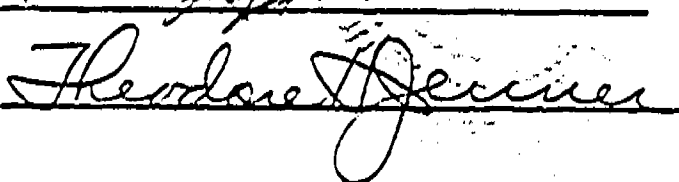
The effective date of this order shall be August 30, 1960.

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



President






Commissioners