

Decision No. 63278

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Consolidated Freightways )	
Corporation of Delaware, a corporation, )	
for authority to depart from the rates, )	Application No. 44101
rules and regulations of Minimum Rate )	(Filed January 15, 1962)
Tariff No. 2 under the provisions of )	
the Highway Carriers Act. )	

OPINION AND ORDER

By Decision No. 61530, dated February 21, 1961, in Application No. 43117, Consolidated Freightways Corporation of Delaware was authorized to transport petroleum coke, in bulk, from Torrance to Wilmington for the Great Lakes Carbon Corporation at less than the established minimum rate, but not less than 51 cents per ton for the first 220,000 tons and 46 cents per ton for each ton in excess of 220,000 tons. The authority is scheduled to expire March 16, 1962.

By this application, applicant seeks an extension of the above authority for a further one-year period. Applicant also seeks authority to increase the rates currently authorized to 57 cents per ton for the first 220,000 tons, and 51 cents per ton for each ton in excess of 220,000 tons transported during the ensuing twelve-month period.<sup>1</sup>

Applicant states that the circumstances heretofore existing which justified the current deviation continue to exist.

<sup>1</sup>

No authority for an increase in the rates is required from this Commission, as applicant, insofar as this proceeding is concerned, is a permitted carrier for which only minimum rates have been established. Authority to continue the deviation from the minimum rate tariff beyond March 16, 1962, is required, however, inasmuch as the proposed rates are below the minimum rate otherwise applicable.

A cost study attached to the application reflects that, although the average mileage and tonnage figures for this operation have remained constant, increases in costs for wages, licenses, repairs and service have occurred. Applicant estimates that these increases will result in total costs per ton of \$0.5677 for the first 220,000 tons, and \$0.5080 for all tonnage in excess of 220,000 tons. Applicant's cost figures include an allowance for estimated profits of \$0.06245 per mile for the first 220,000 tons, and \$0.02740 per mile for all tonnage transported in excess of 220,000 tons.

Applicant alleges that its experience indicates that these figures are reasonable and fully compensatory in view of the volume and extraordinary vehicle-use factor involved. It further alleges that the operation has proven to be mutually satisfactory and beneficial to both parties and that continuance of the present authority at the proposed rates would have no adverse effect upon the public interest.

The application shows that on or about January 9, 1962, a copy thereof was served on the California Trucking Associations, Inc. No objection to its being granted has been received. The Transportation Division staff has reviewed the verified application and has recommended that it be granted.

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

Good cause appearing,

IT IS ORDERED that:

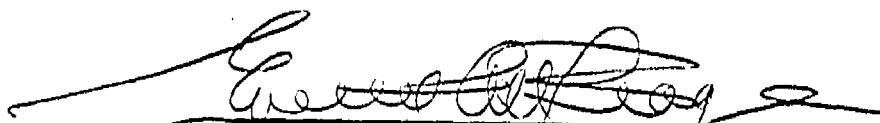

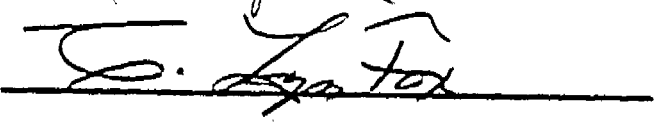
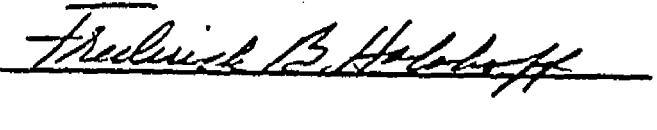
(1) Consolidated Freightways Corporation of Delaware, a corporation, is hereby authorized to transport petroleum coke,

in bulk, from Torrance to Wilmington for the Great Lakes Carbon Corporation at less than the established minimum rate but not less than 57 cents per ton for the first 220,000 tons and 51 cents per ton for each ton in excess of 220,000 tons transported in the twelve-month period from March 16, 1962, to March 16, 1963.

(2) The authority granted herein shall, on and after March 16, 1962, supersede the authority granted by Decision No. 61530, and shall expire with March 16, 1963.

The order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 13<sup>th</sup> day of February, 1962.

  
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President  
  
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Commissioners

Commissioner...George G. Grover..., being necessarily absent, did not participate in the disposition of this proceeding.