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Decision No. 68229

## ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of BLOMQUIST TANK LINES, INC., a corporation, for authority to charge rates for the transportation of asphalt from Martinez to Frement less than those prescribed as minimum in Minimum Rate Tariff No. 6, Section 3666.

Application No. 45811 (Filed September 26, 1963)

## OPINION AND ORDER

Blomquist Tank Lines, Inc., operates as a petroleum contract carrier. By Decision No. 64454 dated October 23, 1962, in Application No. 44621, it was authorized to assess a rate less than the minimum rate but not less than \$2.25 per ton, minimum weight 73½ tons, for the transportation of liquid asphalt in bulk in tank vehicles from Shell Oil Company, Martinez, to Clements Construction Company, Fremont. This authority is scheduled to expire November 1, 1963. By this application, authority is sought to continue to charge less than the minimum rate otherwise applicable for a further one-year period.

Applicant alleges that virtually all of the traffic transported by it originates at facilities of Shell Oil Company (Shell), its principal shipper; Clements Construction Company (Clements), located in Fremont, is a customer of Shell and purchases approximately 14,000 tons of liquid asphalt per year; all of this traffic originates at the Shell plant at Martinez for delivery to hot plants of Clements at Fremont; Clements heretofore operated two tank truck-and-trailer units of its own for the transportation of the bulk of its requirements; and, until the issuance of Decision No. 64454, supra,

A. 45811 - ams applicant transported the balance at the minimum rate of \$2.80 per ton as proscribed in Item No. 200 of Minimum Rate Tariff No. 6. Applicant states that the favorable transportation characteristics which are of record still continue to exist; on those days where movements have occurred, from three to nine truckloads have been hauled; the average experience has been that movements occur some four days a week; and facilities have been open on a 24-hour per day basis. Applicant avers that it has experienced excellent utilization of equipment; its volume has increased as anticipated; the operation has been as profitable as the estimates of record indicated; Clements has discontinued the use of one truck and trailer unit; and the threat of proprietary operations would continue to exist in the event that the authority is not renewed. The verified application shows that on or about September 23, 1963, a copy thereof was served upon the California Trucking Association. No objection to its being granted has been received. In the circumstances, it appears, and the Commission finds, that the proposed rate is reasonable for the transportation involved. A public hearing is not necessary. The application will be granted. In view of the expiration date of the current authority, the order which follows will be made effective November 1, 1963. Good cause appearing, IT IS ORDERED that: 1. Blomquist Tank Lines, Inc., a corporation, is authorized to transport liquid asphalt in bulk in tank vehicles from Shell Oil Company, Martinez, to Clements Construction Company, -2-

A. 45811 - ams Fremont, at a rate less than the minimum rate established for such transportation but not less than \$2.25 per ton, minimum weight 732 tons. 2. The authority herein granted shall, on and after November 1, 1963, supersede the authority granted by Decision No. 64454, and shall expire with November 1, 1964. 1963.

The effective date of this order shall be November 1,

Dated at San Francisco, California, this October, 1963.