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66420 Decision No.



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) Sierra Distributing, Ltd. for the ) authorization to continue transporta- ) tion of Trisodium Phosphate at rate ) below Minimum Rate Tariff No. 2. )

Application No. 45851 (Filed October 10, 1963)

## OPINION AND ORDER

By Decision No. 64569, dated November 27, 1962, in Application No. 44890, applicant was authorized, as a highway contract carrier, to charge less than the minimum rates named in Minimum Rate Tariff No. 2 for the transportation of trisodium phosphate from Richmond to Sacramento for the Procter & Gamble Company. The material is transported in shipper owned bins of not less than 60 cubic feet capacity. The authority is scheduled to expire with December 5, 1963.

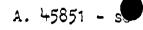
By this application, authority is sought to continue the deviation from the minimum rate otherwise applicable. The present rate proposal differs in some respects from that heretofore authorized, as will be discussed hereinafter.

Applicant alleges that it is operating under full capacity load factors in round-trip hauling for the shipper between Sacramento and Oakland, San Francisco and Richmond; it is able to realize substantial economies in operations; its revenues and earnings from the involved hauling of bulk trisodium phosphate have increased in the years 1961, 1962 and 1963 under the authorized rate scale; and the granting of the sought authority will have no adverse effect on other modes of transportation.

The application states that a copy thereof was served on California Trucking Association on or about October 9, 1963. No objection to its being granted has been received.

The present authority provides for use of the Class E rate in Minimum Rate Tariff No. 2 (including applicable surcharge) subject to a minimum weight of 45,000 pounds, instead of the otherwise

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applicable 5th Class rate, subject to a minimum weight of 40,000 pounds. Currently the 5th Class rate named in Minimum Rate Tariff No. 2 applicable from Richmond to Sacramento is 33 cents per 100 pounds; the Class E rate is 23 cents per 100 pounds. Under the authority now sought, applicant would state the rate specifically at 23 cents per 100 pounds, thereby making it independent of changes in the minimum Class E rate. Additionally, a rate less than the minimum rate otherwise applicable but not less than 60 cents per 100 pounds, minimum weight 2,000 pounds, would be provided for the return transportation of the empty bins; the time allowed for loading or unloading carrier's equipment by shipper's lift trucks would be limited to one hour for each such service; and the application of the minimum weight requirements would be clarified.

The application does not explain the reasons for the proposed rate changes nor contain allegations or evidence in support thereof. The rate deviation was originally authorized upon evidence of the cost of operations of applicant for the transportation of the trisodium phosphate and the return transportation of the empty bins with other commodities; the economies and efficiencies surrounding the service as performed by applicant; and the profit factor for such round-trip operations which provided for the assessment of the applicable minimum rate for the return transportation of the empty bins.

The sought rates will be authorized for a period of approximately six months in order that the operation may continue without interruption pending the receipt of additional justification which applicant will be expected to offer. Subject to further review upon consideration of the additional evidence to be adduced, it appears, and the Commission finds, that the proposed rates are reasonable.

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In view of the expiration date of the current authority, the order which follows will be made effective on December 5, 1963.

Good cause appearing,

IT IS ORDERED that:

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1. Sierra Distributing, Ltd., is hereby authorized to transport trisodium phosphate, chlorinated or not chlorinated, in bulk in containers, and used empty bins for Procter & Gamble Company at less than the established minimum rates but not less than those set forth in, and subject to the provisions shown in, Appendix A attached hereto and by this reference made a part hereof.

2. The authority herein granted shall expire with June 5, 1964.

The effective date of this order shall be December 5, 1963. Dated at San Francisco, California, this <u>set</u> day of December, 1963.

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Appendix A to Decision No. \_

Rates are in cents per 100 pounds

ITEM COMMODITIES: Trisodium phosphate, chlorinated or not 1. chlorinated, in shipper owned bins of not less than 60 cubic feet capacity.

FROM : Richmond, California.

TO : The Procter & Gamble Company plant, Sacramento, California.

RATE : 23

MINIMUM : 45,000 pounds per shipment. Rate applies to the combined weight of the commodity and bins. The weight of the bins must be shown separately on the bill of lading and may not be used to make up the minimum weight of the shipment.

ITEM COMMODITIES: Used empty BINS, not nested, for return paying load of Commodity in Item 1.

FROM : The Procter & Gamble Company plant, Sacramento, California.

TO : Richmond, California.

RATE = 60

MINIMUM : 2,000 pounds per shipment

ITEM LOADING AND UNLOADING CARRIER'S EQUIPMENT:

The loading and unloading of carrier's equipment will be performed by the shipper's lift trucks. One hour free time will be allowed for loading and one hour free time will be allowed for unloading bins commencing from the time carrier's equipment is placed at the designated loading or unloading place. Delay in excess of free time will be charged for as provided in Item No. 145 of Minimum Rate Tariff No. 2.

ITEM 4.

3.

All other provisions of Minimum Rate Tariff No. 2 are to apply.

End of Appendix A