

Decision No. 67905

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Consolidated Freightways Corporation of Delaware, a corporation, for authority to charge less than minimum rates for the transportation of calcined petroleum coke.

Application No. 46902
(Filed August 18, 1964)

OPINION AND ORDER

Consolidated Freightways Corporation of Delaware 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. 66162, dated October 15, 1963, in Application No. 45744, applicant was authorized, as a highway contract carrier, to assess a rate less than the applicable minimum rate on certain transportation which it performs for Great Lakes Carbon Corporation. That authority is scheduled to expire with October 19, 1964. By this application, authority is sought to continue to provide said transportation at less than the applicable minimum rate for an additional one-year period. Applicant also requests that the authority be modified by increasing the authorized rate from 62 cents to 63 cents per ton.¹

¹No authority for the increase is required from this Commission inasmuch as applicant, insofar as this proceeding is concerned, performs the service as a highway permit carrier for which only minimum rates have been established. Authority to use the sought rate after October 19, 1964, is required, however, inasmuch as the proposed rate is below the minimum rate otherwise applicable.

The transportation herein involved is the movement of calcined petroleum coke, in bulk, from the coke calcining plant of Great Lakes Carbon Corporation, at Wilmington, to the Port of Long Beach for subsequent transfer into vessels for export. According to applicant, the distance between the point of origin and point of destination is 5.39 miles.

According to the application, the export movements are irregular and are responsive to orders received from customers as well as to arrivals at Long Beach of vessels that are bound for ports of call to which the coke is consigned. The application indicates that these vessel movements average from two to four each month, and that each vessel accepts from 2,000 to 9,000 tons of coke. It is also indicated that, notwithstanding the fact the movement herein is not continuous, the heavy volume handled in loading each vessel and the extraordinarily efficient bulk loading facilities being utilized combine to make the sought rate fully compensatory.

Applicant states that it has maintained detailed and accurate figures of the cost of the transportation involved herein. Its revised cost study, identified as Appendix A to the application, indicates that the cost of the transportation involved herein, including an allowance for a reasonable profit, has increased during the past year due to increases in wages and other cost factors. Applicant declares that the shipper involved is agreeable to the proposed increase in the currently authorized rate and that both applicant and the shipper have found the transportation arrangement to be mutually satisfactory and beneficial.

The certificate of service shows that a copy of the application was mailed to California Trucking Association on August 17, 1964. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that the sought rate is reasonable for the transportation involved herein. A public hearing is not necessary. The application will be granted. In view of the impending expiration date of the current authority, the order which follows will be made effective October 19, 1964.

Good cause appearing,

IT IS ORDERED that:

1. Consolidated Freightways Corporation of Delaware, a corporation, is hereby authorized to transport calcined petroleum coke, in bulk, for Great Lakes Carbon Corporation, from that shipper's calcining plant at Wilmington to the Port of Long Beach at a rate of not less than 63 cents per ton in lieu of the minimum rate otherwise applicable.

2. The authority granted herein shall, on and after October 19, 1964, supersede the authority granted by Decision No. 66162 and shall expire with October 19, 1965.

This order shall become effective October 19, 1964.

Dated at San Francisco, California, this 22nd day of September, 1964.

Frederick B. Holbeck
President

[Signature]
[Signature]

George L. Grover

[Signature]
Commissioners