

ORIGINAL

Decision No. 68127

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into)
the rates, rules, regulations, charges,)
allowances and practices of all common)
carriers, highway carriers, and city)
carriers relating to the transportation)
of petroleum and petroleum products in)
bulk (commodities for which rates are)
provided in Minimum Rate Tariff No. 6).)

Case No. 5436
(Petition for Modification
No. 65)
(Filed September 10, 1964)
(Amended October 5, 1964)

OPINION AND ORDER

By Decision No. 66312 dated November 12, 1963, Acme Transportation, Inc., a corporation, operating as a highway common carrier, was authorized to publish and file a rate of 8½ cents per 100 pounds, subject to certain conditions including a minimum of 20,000,000 pounds during a 12-month period, for the transportation of fuel oil from Richmond to Du Pont.¹ This rate is lower than the established minimum rate and is published to expire with November 19, 1964. By this petition, authority is sought to continue to maintain the currently authorized rate for an additional one-year period and to make the tariff publication effective on five days' notice.

Petitioner alleges that the conditions which justified the current authority continue to exist; the rate presently in effect is proper and adequate for application to this traffic; the presently authorized rate is reasonable; and such rate has produced adequate and reasonable earnings.

Attached to the petition, as amended, is a cost study which shows a revenue, cost and profit per trip of \$2.80, \$40.05 and \$2.75, respectively, resulting in an operating ratio of 93.6 percent.

¹ Du Pont is about two miles east of the easterly city limits of Antioch. It is the location of a plant of E. I. Du Pont de Nemours & Company, which plant is served by rail spur track.

Petitioner states that increased costs as compared to previous years have been partially offset by faster loading at the refinery and greater driver efficiency.

Based upon its experience in the performance of this transportation, petitioner asserts it is satisfied that the rate which is proposed herein is and will be compensatory for the ensuing year and that the continued availability of such transportation to petitioner is dependent upon the availability of such rate to the shipper, E. I. Du Pont de Nemours & Company.

The certificates of service show that copies of the petition and amendment thereto were mailed to California Trucking Association, Western Motor Tariff Bureau, Inc., and Pacific Southcoast Freight Bureau on September 9, 1964, and October 2, 1964, respectively. No objection to the granting of the petition, as amended, has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rate is reasonable and justified by transportation conditions. A public hearing is not necessary. The petition, as amended, will be granted.

In view of the expiration date of the current authority the order which follows will be made effective November 8, 1964.

IT IS ORDERED that:

1. Acme Transportation, Inc., is hereby authorized to publish and file, to expire with November 19, 1965, a rate of 8½ cents per 100 pounds for the transportation of fuel oil from Richmond to Du Pont, subject to the following conditions:

- (a) The weight of the shipment shall be computed at 7.75 pounds per gallon.
- (b) The consignor and consignee shall make their premises available to enable carrier to perform service on a 24-hour basis.

- (c) A minimum of 20,000,000 pounds must be tendered to carrier during a 12-month period.
- (d) Rate shall not be subject to an allowance for delivery after hours as provided in Item 115 of Western Motor Tariff Bureau, Inc., Tariff No. 3-D.

2. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public.

The effective date of this order shall be November 8, 1964.

Dated at San Francisco, California, this 27th day of October, 1964.

Frederick B. Skelton
President

Walter E. Smith

Wesley A. Reed

George L. Trover

William M. Bennett
Commissioners