

ORIGINAL

Decision No. 69297

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
ACME TRANSPORTATION, INC., a corpora-)
tion, for authority to depart from)
minimum rates, rules and regulations)
applicable in connection with certain)
transportation to be performed for)
COLLIER CARBON and CHEMICAL)
CORPORATION.)

Application No. 47545
(Filed May 3, 1965)

OPINION AND ORDER

Acme Transportation, Inc., a corporation, operates in California under various authorities issued by this Commission. By Decision No. 67899 dated September 22, 1964, in Application No. 46980, it was authorized under Section 3666 of the Public Utilities Code to transport petroleum coke, in bulk, in hopper bottom and rear end dump trucks, as a radial highway common carrier at rates less than the established minimum rates. The transportation involved is performed for Collier Carbon and Chemical Corporation (Collier) (a) from the Union Oil Company refinery located at Oleum to Collier's plant located at Collier, a point three miles southeast of Rodeo on State Highway 4 and (b) from the same point of origin to the shipper's facility located at Rodeo. The current authority is scheduled to expire with June 30, 1965.

By this application, applicant seeks an extension of the current rate authority for an additional one-year period. Applicant also requests authority to depart from the provisions of the billing and credit rule applicable to such transportation by submitting its billing to the shipper on a monthly basis rather than weekly as now required.¹

¹ See rule for Collection of Charges in Item No. 250-A of Minimum Rate Tariff No. 2.

The minimum rates established in Minimum Rate Tariff No. 2 for this transportation are (1) 16 cents per 100 pounds from Oleum to Collier and (2) 14 cents per 100 pounds from Oleum to Rodeo. The rates are subject to a minimum weight of 40,000 pounds and a surcharge of \$4.50 per shipment. Under applicant's proposal, the petroleum coke is transported in hopper bottom and rear end dump trucks with gravity loading and unloading. The rates proposed by applicant are 28 cents per ton, minimum 26 tons per shipment, from Oleum to Collier and 17.5 cents per ton, minimum 12 tons per shipment, from Oleum to Rodeo.

Applicant alleges that the circumstances set forth in its prior application which justified the granting of the current authority have continued to exist and still exist. As stated in Decision No. 67899, supra, Collier ships approximately 150,000 tons of petroleum coke a year between Oleum and Collier and approximately 65,000 tons a year between Oleum and Rodeo. For many years prior to the rate authority granted applicant by that decision, all of this tonnage was transported by Collier in proprietary equipment. As recited in that decision, the transportation involved concerns a type of service for which minimum rates have been established in Minimum Rate Tariff No. 7 for certain bulk commodities transported in dump trucks. Since that tariff does not name rates for movements of petroleum coke, in bulk, the rates required to be observed are those named in Minimum Rate Tariff No. 2, which rates, applicant alleges, were not designed for this type of movement and are higher than justified by the cost of handling such traffic.

Revenue and expense data submitted by applicant indicate that the transportation involved has been profitable and reasonably may be expected to be profitable in the future.

Applicant states that relief from the billing and credit requirements of Tariff No. 2 is necessary to eliminate paper work which it and the shipper are now required to do in order to keep their financial records of such traffic. According to applicant, the existing billing and credit requirements for this transportation create a needless expense in view of the small distances involved, the large volume of traffic transported and the multiple number of loads handled each day. Elimination of this burdensome paper work, applicant asserts, by allowing it to submit its billing for such transportation on a monthly basis as proposed would result in substantial savings to both carrier and shipper.

The certificate of service shows that a copy of the application was mailed to California Trucking Association on April 29, 1965. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable for the transportation involved and that the requested relief from the billing and credit rule is justified. A public hearing is not necessary. The application should be granted. In view of the impending expiration date of the current authority, the order which follows will be made effective June 30, 1965.

IT IS ORDERED that:

1. Acme Transportation, Inc., a corporation, is hereby authorized to transport petroleum coke, in bulk, for Collier Carbon and Chemical Corporation from Oleum to Collier and Rodeo, at rates less

than the applicable minimum rates but not less than those set forth in, and subject to the conditions specified in, Appendix A attached hereto and by this reference made a part hereof.

2. The authority granted herein shall, on and after June 30, 1965, supersede the authority granted by Decision No. 67899 and shall expire with June 30, 1966.

This order shall become effective June 30, 1965.

Dated at San Francisco, California, this 22nd day of June, 1965.

Frederick B. Hallock
President

John D. Smith

George H. Grover

August

William L. Bennett
Commissioners

APPENDIX A TO DECISION NO. 69297

ACME TRANSPORTATION, INC.

Schedule of Minimum Rates for the
Transportation of Petroleum Coke in Bulk for
Collier Carbon and Chemical Corporation
(Ton Means 2,000 Pounds)

I

POINTS

From: The Union Oil Company refinery
Oleum, California
To: Collier Carbon and Chemical Corporation
Collier, California

EQUIPMENT

Hopper bottoms, gravity loaded and gravity unloaded.

AUTHORIZED RATE

28 cents per ton.
Minimum weight 26 tons per shipment.

II

POINTS

From: The Union Oil Company refinery
Oleum, California
To: Collier Carbon and Chemical Corporation facility
Rodeo, California

EQUIPMENT

Rear end dump trucks, gravity loaded and gravity unloaded.

AUTHORIZED RATE

17.5 cents per ton.
Minimum weight 12 tons per shipment.

III

A monthly bill will be submitted to the shipper covering service performed during the preceding month which billing must be paid by shipper within seven (7) days after the billing date.

(END OF APPENDIX A)