

Decision No. 70387

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Consolidated Freightways Corporation of Delaware, a corporation, for authority to depart from the rates, rules and regulations of Minimum Rate Tariff No. 2 under the provisions of the Highway Carriers Act.)	
)	
)	Application No. 48181
)	(Filed January 14, 1966)
)	
)	

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. 68724 dated March 9, 1965, in Application No. 47258, applicant was authorized to transport petroleum coke, in bulk, from Torrance to Wilmington for the Great Lakes Carbon Corporation at less than the established minimum rate but not less than 63.4 cents per ton for the first 220,000 tons and 60 cents per ton for each ton in excess of 220,000 tons. The current authority is scheduled to expire with March 16, 1966.

By this application, applicant seeks an extension of the above authority for a further one-year period. Applicant also seeks authority to increase the rates currently authorized to 65.2 cents per ton for the first 220,000 tons, and 61.8 cents per ton for each ton in excess of 220,000 tons transported during the ensuing twelve-month period.¹

¹No authority for an increase in the rates is required from this Commission as applicant, insofar as this proceeding is concerned, performs the service as a permitted carrier for which only minimum rates have been established. Authority to continue the deviation from the minimum rate tariff after March 16, 1966, is required, however, inasmuch as the proposed rates are below the minimum rate otherwise applicable.

Applicant states that the circumstances which heretofore justified the current deviation authority continue to exist. A cost study attached to the application indicates that the average mileage and tonnage figures for this operation have remained relatively constant and that increases in costs have occurred for wages, vehicle repairs and service. The proposed rates take into account the increases in these costs.

Applicant alleges that its experience indicates the proposed rates to be reasonable and fully compensatory in view of the volume and extraordinary vehicle-use factor involved. It further alleges that the operation has proved to be mutually satisfactory and beneficial to the shipper and itself and that both parties desire an extension of the present authority at the proposed rates. Applicant's cost study indicates that the transportation involved has been profitable during the past year and reasonably may be expected to be profitable in the future.

The certificate of service shows that a copy of the verified application was mailed to California Trucking Association on January 13, 1966. The application was listed on the Commission's Daily Calendar of January 17, 1966. 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. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. Consolidated Freightways Corporation of Delaware, a corporation, is hereby authorized to transport petroleum coke, in bulk, from Torrance to Wilmington for the Great Lakes Carbon Corporation at less than the established minimum rate but not less than

65.2 cents per ton for the first 220,000 tons and 61.8 cents per ton for each ton in excess of 220,000 tons transported during the twelve-month period from March 16, 1966, to March 16, 1967.

2. The authority granted herein shall, on and after March 16, 1966, supersede the authority granted by Decision No. 68724, and shall expire with March 16, 1967.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 23rd day of February, 1966.

Friedrich A. Halbach
President
John J. Mitchell
George L. Grover
Augustus
William B. Bismuth
Commissioners