ORIGINAL

Decision No. 71005

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Central Cal Freight Lines, for authority under Section 3666 of the Public Utilities Code to assess and collect transportation charges based on rates lower than the minimum rates heretofore established by the commission.

Application No. 48516 (Filed May 27, 1966)

INTERIM OPINION AND ORDER

Central Cal Freight Lines, a corporation, holds a highway contract carrier permit. By this application it seeks authority to transport glass between the present and future warehouses of American Warehouse Company (American) both located in a defined metropolitan Fresno area, on the one hand, and the plant of Pittsburgh Plate Glass Company (Pittsburgh) located outside such area, on the other hand, at a less-than-minimum rate of 6 cents per 100 pounds, minimum weight 45,000 pounds.

Applicant states that Pittsburgh is building a new plant at the location involved herein and has begun fabricating glass in a portion of the plant that was completed in May of this year. Applicant further states that the glass is shipped in wooden boxes or crates weighing up to 3,000 pounds from factories of Pittsburgh in eastern and midwestern United States to the warehouse of American

Metropolitan Fresno Area as defined in Item No. 30 of Minimum Rate Tariff No. 2 includes the major portion of the City of Fresno and a certain described area adjacent thereto. Under the provisions of this item, the transportation of general commodities, including glass, within this area is exempt from the application of the rates named in Tariff No. 2. The transportation involved would also be exempt if Pittsburgh's plant had an entrance on South Willow Avenue, which runs along the western boundary line of said plant and also forms a part of the southeastern boundary line of the aforementioned area.

for storage and subsequent shipment to the Fresno plant of Pittsburgh. Assertedly after fabrication, much of the glass is returned to the warehouse of American for subsequent movement to customers of Pittsburgh. According to applicant, Pittsburgh and American perform the loading in 30 minutes and unloading in the same time with forklift equipment.

Applicant avers that the distance between the plant of Pittsburgh and the present location of American is eight miles and that loading, transit and unloading result in only two hours elapsed time on one-way movements, including empty returns, and three hours elapsed time on round-trip movements. Applicant declares that the new warehouse of American, which will soon become the point of storage and shipment of the glass, is only 2.8 miles from the plant of Pitts-burgh and that less transit time should result when such operations commence.

Applicant alleges that Pittsburgh made arrangements for use of a Fresno warehouse to store glass and for transportation of the glass between the warehouse and its new plant under the mistaken belief that its plant was in the aforementioned metropolitan Fresno area and that the transportation involved was exempt from the application of the minimum rates named in Minimum Rate Tariff No. 2.

Applicant avers that the applicable minimum rate of 172 cents per 100 pounds, minimum weight 40,000 pounds, is excessive for this special movement and will cause Pittsburgh to seek other arrangements such as private transportation or storage on its own property where it is erecting large buildings that will be available before long. Applicant asserts that an emergency situation exists as a result of the above circumstances and requests that the Commission issue an exparte

order granting it interim relief to enable it to charge the proposed rate pending the Commission's final action on this application.

Revenue and expense data submitted by applicant indicate that the proposed rate reasonably may be expected to be profitable.

The certificate of service shows that a copy of the application was served on California Trucking Association and Pittsburgh Plate Glass Company on May 27, 1966. The application was listed on the Commission's Daily Calendar of May 31, 1966. No objection to the granting of the application on an interim basis has been received.

Subject to further review upon consideration of additional evidence which may be adduced at a public hearing to be scheduled in this proceeding, it appears, and the Commission finds, that the proposed rate is reasonable. In view of the threat of proprietary transportation involved, the possible elimination of such transportation service and applicant's urgent request for relief herein, the Commission concludes that applicant should be granted interim authority for a period of six months, unless sooner canceled, changed or extended by order of the Commission, subject to future hearing to be scheduled in this proceeding.

IT IS ORDERED that:

l. Central Cal Freight Lines is hereby authorized to transport glass for Pittsburgh Plate Glass Company between the points set forth in Appendix A, attached hereto and by this reference made a part hereof, at a rate less than the established minimum rate but not less than that set forth, and subject to the conditions shown, in said Appendix A.

- 2. The interim authority herein granted shall expire six months after the effective date of this order, unless sooner canceled, modified or extended by order of the Commission.
- 3. A public hearing shall be scheduled in this proceeding for the receipt of evidence on this application and final disposition thereof.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 1944 day of July, 1966.

Frederic B. Freder Fryslind B. Holling Augustus Sullamm M. Deline Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

71005 APPENDIX A TO DECISION NO.

APPLICATION OF RATES FOR TRANSPORTATION PERFORMED

CENTRAL CAL FREIGHT LINES By:

For: PITTSBURGH PLATE GLASS COMPANY

Glass as described in Item 86920-C, Sub. 3, Supplement 15 to National Motor Freight Classification A-8 issued by F. G. Freund, Issuing Officer. Commodity:

Between:

American Warehouse Company, 265 Divisadero Street or 2625 South Maple Avenue, (both locations within the metropolitan Fresno area as described in Item No. 30 of Minimum Rate Tariff No. 2).

And:

Pittsburgh Plate Glass Company, 3333 South Peach Avenue, Fresno (located just outside the metropolitan Fresno area as described in Item No. 30 of Minimum Rate Tariff

No. 2).

Rate: 6 cents per 100 pounds (subject to Note 1)

Minimum Weight: 45,000 pounds per shipment

Note 1: Rates are subject to the condition that loading shall be performed by the shipper with fork lift power equipment and unloading shall be performed by the consignee with fork lift power equipment.

(End of Appendix A)