

**ORIGINAL**

Decision No. 71808

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-A). )

Case No. 5436  
(Petition No. 78)  
(Filed November 29, 1966)

OPINION AND ORDER

By this petition, Allyn Transportation Company (Allyn), a corporation, seeks authority to continue to publish a less-than-minimum rate of 10½ cents per 100 pounds for the transportation of residual fuel oil from the refinery of the Rothschild Oil Company at Santa Fe Springs to mills of the Kaiser Steel Corporation (Kaiser) near Fontana.<sup>1</sup> Petitioner also seeks authority to re-establish and republish the same rate for similar transportation from Richfield Oil Corporation's plant at Watson, another origin point, to Kaiser's plant near Fontana.<sup>2</sup> Allyn also requests authority to depart from the long- and short-haul provisions of Section 460 of the Public Utilities Code for movements from each of the points of origin involved.

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The current authority, which authorized Allyn to publish a 10½ cent rate for this transportation, was originally granted by Decision No. 63187 dated January 26, 1962, in Petition No. 47 in Case No. 5436. By supplemental order in Decision No. 70225 dated January 11, 1966, in that same proceeding, Allyn was authorized to continue to publish said rate subject to expire with January 31, 1967.

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According to Decision No. 63187, supra, the principal difference between the two hauls is that the round-trip distance from the Rothschild Oil Company's plant at Santa Fe Springs to destination near Fontana is less than the distance from Richfield Oil Corporation's plant at Watson to the same point of destination.

In support of the authority sought herein, Allyn asserts that the physical conditions, which existed at the time such rate authority was originally granted, continue to exist at present. Petitioner alleges that the transportation service rendered under this rate authority is virtually automatic in that the repetitive character of the haul requires little supervision, no wasted effort and is virtually self-executing. Documenting and billing of shipments are simplified and the overall operation is highly efficient. According to Allyn, a steady flow of residual fuel oil is available 24 hours per day, 7 days per week, which traffic is and can be delivered to Kaiser's Fontana plant at any time of day and any day of the week at petitioner's own option.

Petitioner avers that, while there have been some increases in its cost of operating since this rate authority was first granted, these costs have been more than offset by the steady flow of traffic and increased efficiency in the operation. The constant volume and availability of this traffic, Allyn states, permits a high use factor of its equipment as well as a beneficial and efficient use of its labor force without the usual threat of nonproductive time penalties. Petitioner alleges that the proposed rate is profitable from either of the points of origin herein involved.

In connection with publication of the sought rate, petitioner asks that it be allowed to publish and maintain said rate on a non-intermediate basis and that, to this extent, it be authorized to depart from the long- and short-haul prohibitions of Section 460 of the Public Utilities Code.

Copies of the verified petition were mailed to all known interested parties, including California Trucking Association and Pacific Southcoast Freight Bureau. The petition was listed on the Commission's Daily Calendar of December 1, 1966. No objection to the granting of the petition has been received.

In the circumstances, it appears, and the Commission finds, that petitioner's proposed rate for the transportation involved is reasonable and justified by transportation conditions. A public hearing is not necessary. The Commission concludes that the petition should be granted.

IT IS ORDERED that:

1. Allyn Transportation Company, a California corporation, is hereby authorized to publish and file a nonintermediate, less-than-minimum rate of 10½ cents per 100 pounds for the transportation of residual fuel oil, in bulk, in full tank-truck and tank trailer loads, from the refineries of Rothschild Oil Company and Richfield Oil Corporation located at Santa Fe Springs and Watson, respectively, to mills of the Kaiser Steel Corporation near Fontana, San Bernardino County.

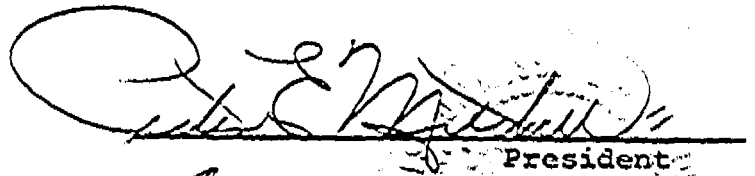
2. Tariff publications required to be made by petitioner as a result of the order herein shall be made effective not earlier than the fifth day after the effective date of this order, on not less than five days' notice to the Commission and to the public.

3. Allyn Transportation Company is hereby authorized to depart from the long- and short-haul prohibitions of Section 460 of the Public Utilities Code to the extent necessary to carry out the effect of this order. In the publication of the rate hereinabove authorized, Allyn Transportation Company shall make reference in its tariffs to this order authorizing such long- and short-haul departures.

4. The rate authority granted herein shall be published subject to an expiration date of January 31, 1968.

The effective date of this order shall be January 26, 1967.

Dated at San Francisco, California, this 4th day of JANUARY, 1967.

  
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President

  
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Augustus

  
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Stellanor

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Commissioners