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Decision No. 71927

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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In the Matter of the Application of TALLY'S TRUCK LINE, a corporation, for an order to provide for an exception to Paragraph (c), Item 50, Minimum Rate Tariff No. 15, applicable in connection with certain transportation to be performed for KAISER ALUMINUM & CHEMICAL CORPORATION

In the Matter of the Application of ENCINAL TERMINALS, a corporation, for an order to provide for an exception to Paragraph (c), Item 50, Minimum Rate Tariff No. 15, applicable in connection with certain transportation to be performed for KAISER ALUMINUM & CHEMICAL CORPORATION Application No. 49025 (Filed December 14, 1966)

Application No. 49026 (Filed December 14, 1966)

OPINION AND ORDER

Tally's Truck Line (Tally) and Encinal Terminals (Encinal), corporations, each hold radial highway common carrier, highway contract carrier and city carrier permits.¹ By Applications Nos. 49025 and 49026, Tally and Encinal respectively seek authority to depart from the Commission's minimum rates otherwise applicable by combining their separate written agreements with Kaiser Aluminum & Chemical Corporation (Kaiser) for transportation services performed under

Encinal is also authorized to operate as a highway common carrier between points not involved herein.

vehicle unit rates so that one-way operations in excess of 250 air $\frac{2}{2}$ miles may be permitted under the rates involved.

Applicants state that they have transported various commodities for Kaiser for a number of years and that, through a careful investigation of these movements, Kaiser has concluded that costs substantially below those accruing through services of applicants under the rates named in Minimum Rate Tariff No: 2 can be achieved under a proprietary trucking operation. Applicants allege that they were assured by Kaiser that this traffic would be maintained if agreements to furnish certain transportation under the rates and provisions of Minimum Rate Tariff No: 15 were authorized and executed.

According to the applications, Tally's driver with tractor and Encinal's driver with tractor would respectively report to Kaiser's plants at Commerce (Los Angeles County) and San Leandro each evening, Monday through Friday, and pick up combinations of 24-foot trailers hooked in tandem. Applicants aver that these trailers would be leased by Kaiser from an independent leasing company and those picked up at Commerce and San Leandro would respectively contain freight for points in the "Greater Bay Area" and points in Los Angeles, Orange and San Bernardino Counties. Each applicant indicates that it would proceed toward the destinations involved to a half-way meeting point within the required radius of 250 air miles where they would interchange trailers and return to the point of departure and that this could be accomplished within a driver's normal working hours.

Minimum Rate Tariff No. 15, Item No. 50(c), states that written agreements may not be combined nor construed so as to permit one-way operations in excess of 250 air miles.

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Applicants propose to assess the vehicle unit rates in Minimum Rate Tariff No. 15 for the services performed and assert that such rates would provide the necessary relief to enable them to retain traffic that would otherwise be lost to private carriage.

The certificates of service show that copies of the applications were served on California Trucking Association on December 9, 1966. The applications were listed on the Commission's Daily Calendar of December 16, 1966. No objection to the granting of the applications has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable for the transportation services involved. A public hearing is not necessary. The Commission concludes that the applications should be granted.

IT IS ORDERED that:

1. Tally's Truck Line, a corporation, is hereby authorized to depart from the provisions of Minimum Rate Tariff No. 2 and Item No. 50(c) of Minimum Rate Tariff No. 15 by combining written agreements to permit one-way operations in excess of 250 air miles under the provisions of the latter tariff in connection with the transportation of property for Kaiser Aluminum & Chemical Corporation in shipper owned or leased trailers provided its tractor and driver do not operate in excess of 250 air miles from its base of operation at Commerce (Los Angeles County).

2. Encinal Terminals, a corporation, is hereby authorized to depart from the provisions of Minimum Rate Tariff No. 2 and Item No. 50(c) of Minimum Rate Tariff No. 15 by combining written agreements to permit one-way operations in excessof 250 air miles

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under the provisions of the latter tariff in connection with the transportation of property for Kaiser Aluminum & Chemical Corporation in shipper owned or leased trailers provided its tractor and driver do not operate in excess of 250 air miles from its base of operation at San Leandro.

3. The authorities herein granted shall expire one year after the effective date of this order unless sooner canceled, changed or extended by order of the Commission.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this Att day of January, 1967.

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Commissioners

Commissioner WILLIAM SYMONS, JR. did not participate in the disposition of this proceeding.