

**ORIGINAL**

Decision No. 71999

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of AMERICAN TRANSFER CO., a )  
corporation, for an order )  
authorizing departure from the )  
rates, rules and regulations of )  
Minimum Rate Tariff No. 2, )  
pursuant to the provisions of )  
Section 3666 of the Public )  
Utilities Code, for the transpor- )  
tation of shipper-owned trailers )  
to and from Martinez, California. )

Application No. 49060  
(Filed December 29, 1966)

INTERIM OPINION

By this application American Transfer Co., a corporation, seeks authority as a highway contract carrier to charge less than the minimum rates otherwise applicable for the transportation of shipper-owned trailers, loaded or empty, to and from Shell Oil Company (Shell) at Martinez. Applicant proposes to charge a rate of 30 cents per constructive mile, determined in accordance with the Commission's Distance Table.

The application shows that Shell is now transporting canned oils, barrelled greases and some automotive accessories in its own equipment. Applicant has been requested by Shell to provide the motive power as a for-hire carrier to transport the loaded trailers from Martinez to San Jose, Sacramento and Fresno, and to return the empty trailers to Martinez. Shell expects to expand this service in the future to other points in northern California, where it now uses services of for-hire carriers. A cost study attached to the application shows that under the proposed rate of 30 cents a mile, weekly revenue will amount to \$774.00, and expenses to \$670.02, resulting in a weekly profit of \$103.98, and an operating ratio of 86.57 percent.

Applicant states that unless it is promptly granted the sought authority, the opportunity to engage in this operation may be lost as Shell will then expand its proprietary service and all the traffic will be lost to for-hire carriers. It therefore requests temporary authority by an ex parte order until a hearing can be held.

Subject to further review upon consideration of evidence which may be adduced at a public hearing, it appears, and the Commission finds, that the rate proposed herein is reasonable for temporary application in its certificated operations as a highway common carrier. It has not been made evident that the proposed rate should be limited to service provided for one shipper or that applicant should be relieved of its common carrier obligations. In view of the existing conditions the Commission concludes that applicant should be granted interim authority to establish the proposed rate for a period of six months. A future hearing will be scheduled in this proceeding and in the related certificated authority proposal, Application No. 49059.

O R D E R

IT IS ORDERED that:

1. American Transfer Co., a corporation, operating as a highway common carrier, is authorized to publish and file, to expire six months after the effective date of this order, the 30-cent rate proposed in this application.
2. Tariff filings may be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public.

3. The authority granted herein shall expire unless exercised within ninety days after the effective date of this order.

4. A public hearing shall be scheduled in this proceeding for the receipt of evidence on this application and final disposition thereof made thereafter.

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

Dated at San Francisco, California, this 7<sup>th</sup> day of FEBRUARY, 1967.

*Arthur J. Galt* President  
*William M. Gammell*  
*Augustin*  
*William J. Gammell*  
*Fred P. Mansour* Commissioners