

ORIGINAL

Decision No. 73655

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. 85)
(Filed December 29, 1967)

OPINION AND ORDER

By Decision No. 71808, dated January 4, 1967, in Case No. 5436 (Petition No. 78) Allyn Transportation Company (Allyn), a corporation, was authorized to publish and file a 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 the mill of Kaiser Steel Corporation near Fontana. This rate is published to expire with January 31, 1968. By this petition, authority is sought to continue to maintain a rate lower than the minimum rate for an additional one-year period, but to increase the rate to 12½ cents per 100 pounds. Petitioner also requests authority to publish the rate on one day's notice to the Commission and the public and 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.

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 practically 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. 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 avers that the proposed increased rate of 12½ cents per 100 pounds is necessary to offset the increased costs for drivers, office and administrative personnel and also increases in social security payments. Petitioner alleges that the proposed rate is profitable from either of the points of origin herein involved.

Copies of the verified petition were mailed to all known interested parties, including California Trucking Association, Pacific Southcoast Freight Bureau and Western Motor Tariff Bureau. The petition was listed on the Commission's Daily Calendar of January 4, 1968. 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.

In view of the impending expiration date of the current authority, the order which follows will be made effective January 30, 1968.

IT IS ORDERED that:

1. Allyn Transportation Company, a corporation, is hereby authorized to publish and file a nonintermediate, less-than-minimum rate of 12½ 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 the mill of 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 first day after the effective date of this order, on not less than one day's 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, 1969.

The effective date of this order shall be January 30, 1968.

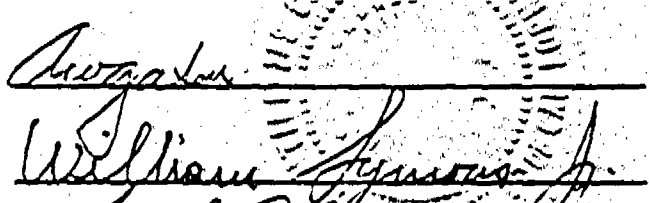
Dated at San Francisco, California, this 23rd day of January, 1968.



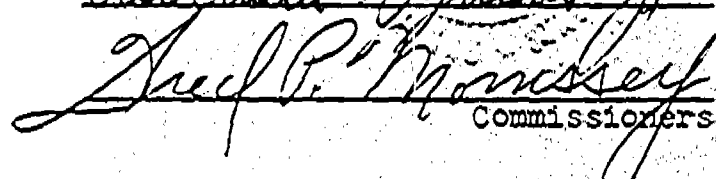
President



Commissioner



Commissioner



Commissioners