Decision No. 74722

## ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of EVANS TANK LINE, INC., a corporation, to transfer authority to deviate from Minimum Rate Tariff No. 15, and of MOTOR CARGO, INC., a corporation, to acquire said deviation authority, in connection with certain transportation performed for GARDEN STATE PAPER COMPANY, INC.

Application No. 50427 (Filed July 25, 1968)

## OPINION AND ORDER

Evans Tank Line, Inc. (Evans), a corporation, holds radial highway common carrier and highway contract carrier permits issued by this Commission. Motor Cargo, Inc. (Motor), a corporation, holds a highway contract carrier permit. By Decision No. 73834 dated March 12, 1968, in Application No. 49931, Evans was authorized to deviate from the provisions of paragraph (c) of Item No. 50, Minimum Rate Tariff No. 15, in connection with the transportation of newsprint paper and waste newsprint paper for Garden State Paper Company, Inc. (Garden State), between Pomona, on the one hand, and points in the San Francisco Bay area and in the Sacramento area, on the other hand, via Fresno. In all other respects, Evans assesses charges for such transportation in conformity with the rates and rules in Minimum Rate Tariff No. 15. The current authority is scheduled to expire March 22, 1969.

The tariff provisions cited limit the application of yearly and monthly vehicle unit rates to transportation services performed within a radius of 250 air miles from the carrier's base of operations. In addition, said tariff provisions further provide that written agreements to use such rates may not be combined so as to permit one-way operations in excess of 250 air miles. The distances from Pomona to Fresno and from Fresno to the San Francisco Bay area or to the Sacramento area are both less than 250 miles by air. Evans' authority permits it to deviate from the prohibition against combining the rates to permit one-way operations in excess of 250 miles.

By this application, applicants Evans and Motor request that the deviation authority granted in Decision No. 73834, supra, be amended by substituting the name of Motor Cargo, Inc., for that of Evans Tank Line, Inc., now shown therein. Evans states that, as its name implies, it was incorporated for the primary purpose of for-hire transportation of petroleum and petroleum products in tank trucks and tank trailers. It further states that, to a minor degree, it transports dry freight commodities such as those involved in this authority. In contrast, Motor states that its primary for-hire transportation involves the movement of dry freight commodities statewide.<sup>2</sup>

Evans asserts that it desires to curtail as much as possible its dry freight hauling in order to concentrate upon its tanker operations due to the fact that the equipment involved and the techniques employed in the conduct of the two operations are mutually and exclusively different and require special equipment and trained personnel for each of such operations. Motor asserts that it intends to concentrate exclusively on dry freight operations.

Applicant Motor alleges that it is adequately financed and possesses the necessary experience and equipment to continue to perform the transportation services now performed by Evans; that the personnel involved in said operations are identical; and that there will be no adverse effect upon any other carrier or the

<sup>&</sup>lt;sup>2</sup> Motor's permit excludes the transportation of various commodities including bulk petroleum products transported in tank trucks and tank trailers.

According to the application, the present sole shareholder of all issued and outstanding shares of capital stock of Evans Tank Line, Inc., is Charlotte Evans, mother of Cloo Evans. President and co-shareholder of Motor Cargo, Inc., who holds 54 of the total issued and outstanding 108 shares of the common stock of the latter corporation.

shipping public if the deviation authority is transferred from Evans to Motor. Applicants further allege that no consideration is involved in the transfer of the authority sought herein.

Applicant Motor avers that it will not engage in any subhaul operations with respect to the transportation of newsprint and paper products which it intends to perform under the same contract in effect between Evans, as carrier, and Garden State, as shipper. Applicants assert that Garden State is agreeable to the assignment of the existing transportation contract from Evans to Motor as proposed herein. They further assert that the rates and charges presently being assessed by Evans under the existing authority will likewise be charged by Motor, as assignee, and that all other rules and regulations of Minimum Rate Tariff No. 15, with the exception of paragraph (c) of Item No. 50 of said tariff, would be applicable to such transportation when performed by Motor.

The application shows that a copy thereof was mailed to California Trucking Association. The application was listed on the Commission's Daily Calendar of July 26, 1968. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that transfer of the deviation authority granted by Decision No. 73634 from Evans Tank Line, Inc., to Motor Cargo, Inc., is reasonable and justified by transportation conditions. A public hearing is not necessary. The Commission concludes that the application should be granted. Decision No. 73834 will be amended accordingly by the order herein.

## IT IS ORDERED that:

1. Decision No. 73834 dated March 12, 1968, in Application No. 49931, is hereby amended by substituting the following

ordering paragraphs in place and stead of Ordering Paragraphs 1 and 3 thereof:

- "1. Motor Cargo, Inc., is authorized to deviate from the provisions of Minimum Rate Tariff No. 15 to the extent specified in Appendix A attached hereto (and by this reference made a part hereof) in connection with services performed by said Motor Cargo, Inc., pursuant to permit of a highway contract carrier, in transporting newsprint paper and waste newsprint paper for the Garden State Paper Company, Inc., between Pomona, on the one hand, and points in the San Francisco Bay area and in the Sacramento area, on the other hand, via Fresno."
- "3. The authority herein granted shall expire March 22, 1969, unless otherwise canceled, modified or extended by further order of the Commission."
- 2. Motor Cargo, Inc., shall not engage in any subhaul operations with respect to the for-hire transportation of news-print paper and waste newsprint paper which it performs under contract for Garden State Paper Company, Inc., as shipper, pursuant to the order herein.
- 3. In all other respects, Decision No. 73834 shall remain in full force and effect.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this <u>24 th</u> day of September, 1968.