

ORIGINAL

Decision No. 76929

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
APPLEGATE DRAYAGE COMPANY, a corpora- )  
tion, for an order authorizing depart- )  
ure from the rates, rules and regula- )  
tions of Minimum Rate Tariff No. 2 )  
pursuant to the provisions of Section )  
3666 of the Public Utilities Code for )  
the transportation of petroleum coke )  
from Pinole and Bakersfield, California. )

Application No. 51744  
(Filed March 2, 1970)

INTERIM OPINION AND ORDER

Applegate Drayage Company, a corporation, operates as a highway contract carrier. By this application, it seeks authority to transport petroleum coke to the plants of C. B. Hobbs Corporation at Milpitas and Elk Grove from the plants of Collier Carbon & Chemical Company at Pinole and Signal Oil & Gas at Bakersfield, at rates less than those prescribed as minimum by the Commission.

Applicant states that, for the past several years, it has transported petroleum coke from and to the above points for the account of C. B. Hobbs Corporation. According to applicant, the coke has been transported under a classification rating of Class 35.3 and on December 1, 1969, the rating was changed to Class 25,<sup>1</sup> resulting in an increase in the minimum rates for the transportation involved.

Applicant declares that, because of the excessive transportation costs which result from the application of the higher classification rating, it is feared that the shipper will buy or lease its own equipment. Applicant asserts that the transportation

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<sup>1</sup> Decision No. 76413 dated November 12, 1969.

has been profitable at the previous rating of Class 35.3 and has contributed substantially to its overall profit over the years. Revenue and expense data submitted by applicant indicate that the proposed rates will be compensatory.

According to applicant, the conditions surrounding the transportation of coke allow full utilization of equipment and driver and the commodity is quick-loaded out of bunkers or scoop-loaded and unloaded by gravity from end dump trucks on piles.

Applicant states that the commodity involved is not being transported at the present time as the furnaces of C. B. Hobbs Corporation are not operating, but it is anticipated that the furnaces will require the use of coke on or about March 15, 1970. In view of the urgency and critical circumstances involved, applicant requests ex parte action and, in the event that a hearing is deemed to be necessary, asks that interim relief be granted until such time as the Commission determines the matter following hearing.

The certificate of service shows that a copy of the application was served on California Trucking Association on March 2, 1970. The application was listed on the Commission's Daily Calendar of March 4, 1970. No objection to the granting of the application has been received.

The Transportation Division staff has reviewed the application and recommends that it be granted by ex parte order.

Subject to further review upon consideration of evidence which may be adduced at a public hearing, it appears, and the Commission finds, that the proposed rates are reasonable. In view of the existing conditions, the Commission concludes that applicant

should be granted interim authority for a period of six months. A future hearing will be scheduled in this proceeding.

IT IS ORDERED that:

1. Applegate Drayage Company, a corporation, is authorized to transport petroleum coke for C. B. Hobbs Corporation from and to the points set forth in Appendix A, attached hereto, at rates less than the established minimum rates, but not less than those set forth, and subject to the conditions specified, in said Appendix A.

2. The authority granted herein shall expire six months after the effective date of this order unless sooner canceled, modified or extended by order of the Commission.

3. A public hearing shall be scheduled in this proceeding for the receipt of evidence on this application and full disposition thereof.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 10<sup>th</sup> day of March, 1970.

William S. Lyons Jr.  
President  
Augusta  
J. P. [unclear]  
[unclear]  
Yvonne L. Stanger  
Commissioners

APPENDIX A TO DECISION NO. 76929

APPLEGATE DRAYAGE COMPANY

COMMODITY: Coke, in bulk, in dump truck equipment.

From: Collier Carbon & Chemical Company, Pinole

To: C. B. Hobbs Corporation:

Rate in Cents  
Per 100 Pounds  
(See Notes 1 and 2)

Milpitas	26
Elk Grove	30

Minimum Weight  
Per Shipment: 46,000 pounds

From: Signal Oil & Gas, Bakersfield

To: C. B. Hobbs Corporation:

Milpitas	50
Elk Grove	50

Minimum Weight  
Per Shipment: 46,000 pounds

Note 1: The rates herein shall be subject to surcharges as set forth in Supplement No. 74 of Minimum Rate Tariff No. 2.

Note 2: The rates hereinabove authorized shall be increased in the same amount and effective at the same time or times as the Commission shall increase the Class 35.3 rate applicable under the provisions of Minimum Rate Tariff No. 2 and Distance Table 7 from and to the points named above.

END OF APPENDIX A