Decision No. 84444

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) GUTHMILLER TRUCKING, INC., a) California corporation, for authority) to deviate from the provisions of) Minimum Rate Tariff Number 2 in) connection with transportation of) glass bottles, carboys, demijohns and) jars, pursuant to the provisions of) Section 3666 of the Public Utilities) Code.

Application No. 55447 (Filed January 20, 1975; amended February 26, 1975)

Eldon M. Johnson, Attorney at Law, and D. F. <u>Marcantonio</u>, for applicant. E. H. Griffiths, for Yandell Truckaway, Inc.; <u>Robert W. Harris</u>, for himself; <u>Dennis</u> <u>O'Brien</u>, Attorney at Law, for O'Brien Freight Lines dba Atlas Freight Lines; John J. Wynne, for Owens-Illinois, Inc.; <u>Bobbie G. Vaughn</u>, for U.S. Department of State (Dispatch Agency); <u>R. C. Broberg</u> and H. W. Hughes, for California Trucking Association; interested parties. <u>Russell D. Corning</u>, for the Commission staff.

INTERIM OPINION

Applicant holds radial highway common carrier and highway contract carrier permits. By this application it seeks authority to assess less than the minimum rates set forth in Minimum Rate Tariff 2 for the transportation of glass bottles, carboys, demijohns, or jars for the Pepsi-Cola Bottling Company from the plants and facilities of Owens-Illinois, Inc. located at Oakland and Tracy to Sunnyvale.

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Public hearing was held before Examiner O'Leary at San Francisco on March 3, 1975.

The authority requested herein is similar to the authority sought by Yandell Truckaway, Inc. (Yandell) in Application No. 55389 and interim authority granted to Robert William Harris (Harris) by Decision No. 83722 in Application No. 55315.

Applicant does not have specific revenue and expense studies covering the involved movements, however, estimated costs set forth in Exhibits 4, 6, and 7 indicate that transportation at the proposed rates will be compensatory. Applicant seeks interim authority until September 30, 1975. Prior to September 30, 1975 it will develop specific revenue and expense studies which it will present to the Commission so that a final determination can be made as to the reasonableness of the sought deviation. Applicant fears it will not be able to compete with other carriers, namely, Yandell and Harris for the traffic if the sought deviation is not granted.

The transportation performed by applicant is performed in applicant-owned trailers and owner operator tractors. The owner operators receive 70 percent of the revenue derived except when they furnish certain equipment in which event they receive 75 percent of the revenue. A summary of applicant's responsibilities is set forth in Exhibit 5. Applicant's estimated cost studies indicate that the cost per mile of the owner operators are less than the anticipated revenue per mile earnings under the sought relief.

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Subject to further review at an adjourned hearing it appears and the Commission finds that the proposed rates are reasonable. The Commission concludes that the application should be granted for a period of six months as set forth in the ensuing order.

INTERIM ORDER

IT IS ORDERED that:

1. Guthmiller Trucking, Inc. is authorized to depart from the minimum rates set forth in Minimum Rate Tariff 2 to the extent set forth in Appendix A attached hereto and by this reference made a part hereof.

2. The authority granted herein shall expire six months after the effective date of this order.

3. Further hearing will be scheduled in this proceeding for the receipt of further evidence.

The effective date of this order is the date hereof. Dated at <u>San Francisco</u>, California, this <u>20</u> day of <u>MAY</u>, <u>1975</u>.

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APFENDIX A

Carrier: Guthmiller Trucking, Inc.

<u>Commodity</u>: Glass bottles, carboys, demijohns, or jars, other than cut, with or without their equipment of caps, covers, stoppers or tops, one gallon or less in capacity.

Shipper: Pepsi-Cola Bottling Company.

Rates:

Authorized Deduction
From Minimum Rate
(In Cents Per
Hundred Pounds)

From Owens-Illinois, Inc., Oakland, California, to Sunnyvale, California.

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From Owens-Illinois, Inc., Tracy, California, to Sunnyvale, California.

<u>Minimum Weight</u>: 35,000 pounds on shipments from Oakland to Sunnyvale; 40,000 pounds on shipments from Tracy to Sunnyvale.

<u>Conditions</u>: Shipments are to be palletized and loaded and unloaded with power equipment without the assistance of, or any expense to, the carrier.

In all other respects, the rules and regulations of Minimum Rate Tariff 2 shall govern.