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Decision No. 84943

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of DOLPHIN TRANSPORTATION, INC., a California corporation, for an Order Authorizing Applicant to Deviate from certain minimum rates on shipments transported for Firestone Tire & Rubber Company, pursuant to Section 3666 of the Public Utilities Code of the State of California.

Application No. 55807 (Filed July 14, 1975; amended August 18, 1975)

ORIGIN

INTERIM OPINION

Applicant operates as a radial highway common and highway contract carrier. Pursuant to the provisions of Section 3666 of the Public Utilities Code it seeks authority to charge less than the minimum rates for the transportation of certain commodities for the account of Firestone Tire & Rubber Company (Firestone) between specific origins and destinations in Northern California, on the one hand, and Southern California, on the other hand.

Specifically applicant seeks authority to assess Class 35.2 or Class 35.3 rates subject to minimum weights of 30,000 and 36,000 pounds, respectively.

Applicant alleges that Firestone has requested applicant to establish the proposed rates in order to make the cost of forhire transportation more competitive with the cost of Firestone's proprietary trucking operation, thereby eliminating the need for its proprietary operation. The proprietary operation was established when increases in rail rates made the cost of rail transportation or truck transportation at alternate rail rates prohibitive. Firestone desires to get out of the trucking business if it can obtain forhire truck service at comparable costs.

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Applicant further alleges that the preponderance of its freight generally between the San Francisco Bay area and the Los Angeles area is northbound. Applicant therefore proposes that the requested rates apply only to the extent that for every northbound load the shipper will tender at least three southbound loads to applicant, thereby improving applicant's overall balance between the two general areas involved. In the event that this ratio is not maintained, those northbound loads in excess of one for every three southbound loads will move at regular MRT 2.rates.

The application and amendment thereto were mailed to the California Trucking Association. The application and amendment thereto were listed on the Commission's Daily Calendars of July 16, 1975 and August 20, 1975. No objections to granting the application have been received.

Subject to further review upon consideration of actual cost evidence to be submitted by applicant the Commission finds that the proposed rates are reasonable. The Commission concludes that interim authority as set forth in the ensuing order should be granted.

INTERIM ORDER

IT IS ORDERED that:

1. Dolphin Transportation, Inc. is authorized to depart from the minimum rates Get forth in Minimum Rate Tariff 2 by charging those rates set forth in Appendix A of this decision. This authority does not include any deviation from any rates, rules, or regulations except as specifically set forth in Appendix A.

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

The effective date of this order is the date hereof. Dated at San Francisco , California, this <u>30</u> day of <u>SEPTEMBER</u>, 1975.

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<u>Carrier</u>: Dolphin Transportation, Inc.

Shipper: The Firestone Tire & Rubber Company

<u>Commodities</u>: Rubber compound, noibn, in sheets or slabs, partially cured or not cured.

Tires, rubber, pneumatic, and parts, viz.: Tires, rubber (including tires containing inner tubes, flaps or reliners), Tire flaps or reliners, automobile, Tire treads,

Tire tubes, rubber.

In straight or mixed truckloads or in mixed truckloads with one or more of the following commodities:

Accelerators, rubber, Adhesive, cement, noibn, Bags or tubes, tire curing or vulcanizing, rubber, Cord, belting, hose or tire, Fabric, belting, hose or tire, Labels, paper, noibn, Molds, aluminum or steel, for shaping rubber articles, Paint, liquid, noibn, Paper, noibn, not printed, Printed matter, paper, Rubber, crude, synthetic or natural, Rubber solvent, noibn, Valves or parts, pneumatic tire, Yarn, hose.

Between:

Salinas, California, and supplemental warehouse locations at San Francisco, South San Francisco, Berkeley, Newark, Oakland, Hayward, Santa Rosa, Burlingame, and San Jose, on the one hand.

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- And: South Gate, California, and supplemental warehouse locations in the Los Angeles Metropolitan Zone, on the other hand.
- <u>Rate</u>: Minimum Rate Tariff 2, Class 35.2 and Class 35.3 distance rates in effect on June 30, 1975.
- Minimum Weight: 30,000 pounds Class 35.2 36,000 pounds - Class 35.3

Rules:

- 1. Loading and unloading to be performed by shipper when moving at Class 35.3 rates.
- 2. The total annual tonnage northbound shall not exceed 1/3 of the total annual tonnage southbound. All northbound tonnage in excess of 1/3 of the southbound tonnage shall be charged at regular MRT 2 rates.
- 3. All other provisions of Minimum Rate Tariff 2 shall apply.