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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of BBD TRANSPORTATION CO., INC., for authority to deviate from minimum rates pursuant to Section 3666 of the California Public Utilities Code for transportation performed for NORRIS INDUSTRIES.

Application No. 56024 (Filed October 24, 1975)

## INTERIM OPINION

BBD Transportation Co., Inc. (BBD) seeks authority under Section 3666 of the Public Utilities Code to transport "Wheels, NOI, requiring or suitable for use with tires, with or without tires, iron, steel or wood" for Norris Industries (Norris) from the Norris' Automobile Wheel Division at 5215 South Boyle Avenue, Vernon, to General Motors Corporation assembly plant located at 45500 Fremont Boulevard, Fremont. BBD seeks to assess a charge based on the Class 35.2 rate in Minimum Rate Tariff 2, subject to a minimum weight of 50,000 pounds.

The application is based on the following special circumstances: BBD has transported automobile wheels for Norris for approximately 17 years. That transportation has been performed at alternatively applied rail carload rates. The charges under the rail rates were profitable to BBD. Effective October 31, 1975, the rail rate under which BBD transported the wheels for Norris was

cancelled. Upon cancellation of the rail rate, higher rates became applicable. BBD desires to continue to assess charges based on the rates formerly applicable under the alternative application of the common carrier rates provisions of MRT 2.

The application contains cost data designed to show that the transportation in question will be profitable under the rates sought to be applied. The application also contains the following information with respect to the movement: The wheels are placed on pallets, five rows high, 16 pallets to each load, and each load is transported on a 40-foot flat-rack trailer. Each trailer load weighs between 29,000 and 31,398 pounds. Two trailer loads are shipped at one time in order to meet the minimum weight requirement (50,000 pounds). Shipments are loaded by Norris and unloaded by General Motors by mechanical means.

The application alleges that the traffic is desirable and profitable and is in sufficient volume to allow efficient low-cost operations. To BBD's knowledge no other motor carrier engages in transporting automobile wheels between the points in question, and the railroads have cancelled their commodity rates on automobile wheels because no traffic was moved under such rates. BBD requests that it be granted interim relief by ex parte order pending a final decision on evidence to be adduced at a public hearing. Notice of the filing of the application appeared on the Commission's Daily Calendar and notice was given to California Trucking Association. No protest to the granting of interim relief has been received.

I/ The application is not clear with respect to the current rate applicable to the movement, or with respect to the precise rate proposed to be assessed. The application states that BBD desires essentially to continue the past charges, which were based on an alternatively applied rail rate of 126 cents per 100 pounds, minimum weight 50,000 pounds.

In the circumstances the Commission finds that special circumstances exist which warrant the granting of interim relief as requested, and that the proposed rates based on a rating of Class 35.2, minimum weight 50,000, when tendered at one time on one shipping document will be reasonable pending a final decision based on evidence to be adduced at a public hearing. The Commission concludes that interim relief shall be granted as set forth in the order which follows.

## INTERIM ORDER

## IT IS ORDERED that:

1. BBD Transportation Co., Inc. is authorized to transport automobile wheels, with or without tires, for Norris Industries at a rate less than the established minimum rate, but not less than a rate based on the Class 35.2 rates set forth in Minimum Rate Tariff 2, minimum weight 50,000 pounds per shipment, from the plant of Norris Industries, Automobile Wheel Division, located at 5215 South Boyle Avenue, Vernon, to the General Motors Corporation assembly plant located at 45500 Fremont Boulevard, Fremont. Each shipment shall be tendered on one shipping document at one time. If subhaulers are used to perform the transportation service, subhaulers shall receive not less than the charges based on the rates authorized herein.

2. The interim authority granted herein shall expire six months after the effective date of this order, and such effective date shall be extended only upon further showing.

The effective date of this order is the date hereof.

Dated at Sen Francisco, California, this 942

day of DECEMBER, 1975.

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Commissioners

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Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.