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Decision No. 85302

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Frank O. Culy, Jr.,
F. O. Culy, Sr., and Harold F. Culy
dba Riteway Transportation Company
for the authority to deviate from
minimum rates and charges on shipments
from Modesto to Oxnard on the one hand
and from Oxnard to Modesto on the other
hand for the Procter and Gamble Company
under Section 3666 of the Public
Utilities Code.

Application No. 56078
(Filed November 19, 1975)

INTERIM ORDER

Frank O. Culy, Jr., F. O. Culy, Sr., and Harold F. Culy, doing business as Riteway Transportation Company (Riteway), a highway permit carrier, seeks authority under Section 3666 of the Public Utilities Code to depart from the minimum rates for transportation of paper products to be performed for Procter and Gamble Company.

Riteway seeks authority to assess a charge of \$271.15 per shipment in each direction for the round-trip transportation of paper products from Procter and Gamble's plant in Oxnard to its plant and distribution warehouse at Modesto, and for the transportation of diapers with plastic linings from the Modesto plant to the Oxnard plant and distribution warehouse.

The application is based on the following special circumstances and conditions: There will be a daily movement of both types of products in either direction. Riteway will furnish a set of two high-cube trailers, each having approximately 2,000 cubic feet capacity. The average density of the commodities to be transported is six pounds per cubic foot, requiring the use of high-cube trailers. Round-trip loads will be matched by the shipper and so identified on the bill of lading prepared by Procter and Gamble.

Riteway proposes to furnish labor to load and unload the trailers. Free time for loading or unloading of one man-hour per trailer will be allowed. Loading or unloading time in excess of one man-hour per trailer will be assessed based on the current accessorial labor charge in Item 145 of Minimum Rate Tariff 2.

Riteway proposes to raise the shipment charge when the price of fuel exceeds the current cost of fuel. When fuel cost increases by 2 cents per gallon, a surcharge of 0.5 percent will be added.

The application contains pro forma revenue and expense statements designed to show that the round-trip operations for Procter and Gamble will be profitable at the charges proposed. The application also contains Riteway's income statement for the period January 1, through September 30, 1975 which shows the following:

Gross Revenue	\$1,129,758
Operating Expenses	\$1,088,811
Net Income (Before Taxes)	\$ 40,947
Operating Ratio	96.4%

The application states that Riteway believes that a reasonable period to gain experience and to test operations under the movement would be 180 days. Riteway requests that it be granted interim ex parte authority pending a public hearing. The application shows that it was served on the California Trucking Association. Notice of the filing of the application also appeared on the Commission's Daily Calendar. There are no protests to the request for ex parte interim authority.

In the circumstances, the Commission finds that there are special conditions surrounding the transportation service proposed to be performed; that based on the preliminary data set forth in the application the proposed round-trip service can be performed at a profit; and that the proposed charges for the round-trip service will be reasonable.

The Commission concludes that interim authority for a six-month period should be granted, pending receipt of additional evidence.

INTERIM ORDER

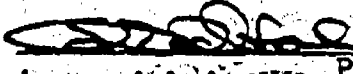
IT IS ORDERED that:

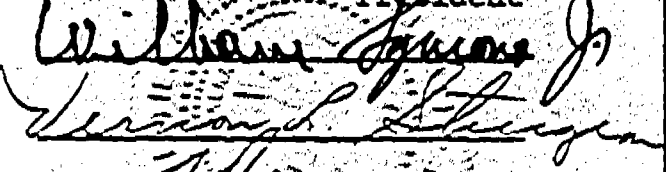
1. Frank O. Culy, Jr., F. O. Culy, Sr., and Harold F. Culy, doing business as Riteway Transportation Company, are authorized to transport property for Procter and Gamble Company at rates less than the established minimum rates, as more specifically set forth in Appendix A, attached hereto and made a part hereof.


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 decision based on additional evidence that the operation is profitable.


The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 6th day of JANUARY, 1976.



President


Vernon L. Sturgeon


J. Ross


Commissioners

APPENDIX A

Frank O. Culy, Jr., F. O. Culy, Sr.,
and Harold F. Culy
dba

Riteway Transportation Company

Shipper: Procter and Gamble Company

Authorized Charge: \$271.15 per set of two trailers (each direction),
subject to the following:

- (a) Loading or unloading of one man-hour per trailer shall be allowed for loading or unloading. Time for loading or unloading in excess of the free time shall be assessed based on the accessorial labor charge set forth in Minimum Rate Tariff 2.
- (b) Fuel surcharge. For each 2 cent per gallon increase in fuel costs over the fuel cost applicable on the effective date of this authority, a surcharge increase of 0.5 percent shall be assessed.
- (c) Transportation service. Round-trip transportation service consisting of movement of Pampers (diapers with plastic linings) from Modesto plant of Procter and Gamble to its Oxnard plant and distribution warehouse, and Charmin paper products (toilet paper, paper napkins, and paper toweling) from Oxnard plant of Procter and Gamble to its Modesto plant and distribution warehouse.

Special Conditions:

1. Shipments shall be matched loads, and shall be identified on shipper's bill of lading form as more specifically shown in the application.
2. Loading and unloading times shall be recorded on forms and in the manner shown in the application.
3. Except as provided in this appendix the provisions of Minimum Rate Tariff 2 shall be applicable.