

Decision No. 85501**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Bayview Trucking, Inc.
for authority to deviate from minimum
rates in Minimum Rate Tariff No. 2
for Libby, McNeill & Libby as provided
in Section 3666 of the Public Utilities
Code.

Application No. 55909
(Filed September 2, 1975;
amended September 8, 1975)

O P I N I O N

Applicant operates as a highway common carrier and a highway permit 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:

1. Cans and can ends as described in Item 640 of Minimum Rate Tariff 2.
2. Canned goods as described in Item 320 and 320-1 of Minimum Rate Tariff 2.
3. Tin plate as described in NMFC 100-B, Items 107140, 107142, 107160, 107180, 107200.
4. Pallets and separators, used, as described in and subject to Item 330.4 of Minimum Rate Tariff 2.

for the account of Libby, McNeill & Libby (Libby).

The application alleges that the rates proposed are the minimum rates and rail rates that were in effect prior to increases authorized on July 14, 1975 and August 15, 1975. Applicant desires to continue to utilize such rates until June 30, 1976.

Applicant alleges further that:

1. Shipper, Libby, is engaged in the processing of canned foods and the manufacturing of cans and can ends used in their canning operations. For the transportation involved, shipper canneries

and cannery warehouses are located at Sunnyvale, Gridley, and Sacramento. The can manufacturing plant and a finished product distribution warehouse is located at 3900 Florin-Perkins Road, Sacramento, also known as Fruitridge. Shipper has a constant year-round movement of cans, can ends, and finished product between the Fruitridge can plant and warehouse, on the one hand, and the canneries located at Sunnyvale and Gridley, on the other hand.

2. In addition to the above traffic, shipper has an inbound flow of tin plate from a Pittsburg steel plant used in the manufacturing of cans and can ends. There are occasional shipments of tin plate between the Fruitridge can plant and San Leandro where a special processing is done and the tin plate is shipped back to the Fruitridge can plant.

3. With rare exceptions, applicant's equipment operates under full payload in both directions from their base of operations near the Fruitridge can plant and warehouse. All shipments are in truckload quantities and applicant's equipment operates at full capacity. Pallets returning equal one load for each fifteen outbound loads, on an average.

4. Applicant, and its affiliate, Trans Steel, Inc., has continuously transported this cargo under contract for the shipper since 1963. The deviation applied for would not result in a diversion of traffic from other carriers nor mode of transportation. All freight charges are for the account of Libby. The total gross revenue under the operations conducted for Libby for the period of July 1, 1974 through June 30, 1975 was \$498,560.84. It is anticipated that rates requested in this deviation will produce revenues in excess of \$540,000 for the same amount of tonnage during the year July 1, 1975 through June 30, 1976.

On October 17, 1975 applicant submitted a cost study based on numerous shipments transported for Libby during the period August 13, 1975 to September 10, 1975. The study indicates that the transportation at the proposed rates will be compensatory. The study is received in evidence as Exhibit 1.

A copy of the application and Exhibit 1 were served upon the California Trucking Association. Notice of the filing of the application appeared on the Commission's Daily Calendar. There are no protests.

Findings

1. The circumstances that exist for applicant's transportation of the commodity involved in this proceeding which are not present in the ordinary transportation of these commodities are substantial movement and efficient use of applicant's equipment through minimal deadhead mileage.

2. There is a cost saving directly attributable to applicant's transportation of the commodities involved.

3. The proposed rates are compensatory, reasonable, and justified.

4. A public hearing is not necessary.

The Commission concludes that the application should be granted as set forth in the ensuing order and that the effective date of this order should be the date on which it is signed because there is an immediate need for the sought authority.

O R D E R

IT IS ORDERED that:

1. Bayview Trucking, Inc. is authorized to depart from the minimum rates set 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.

2. The authority granted shall expire June 30, 1976 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 2nd day of MARCH, 1976.

~~William L. ...~~
President
William L. ...
Thomas L. ...
Alon ...
Robert ...
Commissioners

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Carrier: Bayview Trucking, Inc.

Shipper: Libby, McNeill & Libby

Application of Rates:

1. Rates apply only to shipments mechanically loaded and unloaded by shipper and consignee without expense to carrier and the bill of lading issued pursuant to Item 255 of MRT 2 so indicates. Carrier's employee is restricted to the tie down, securing of cargo, and covering shipments with tarpaulin or other cover.
2. Rates set forth in items 3, 5, 6, and 7 are subject to the provisions of Item 210, paragraphs (a), (b), and (c) of Minimum Rate Tariff 2.

(Numbers within parentheses immediately following commodities shown below refer to such commodities as described in the corresponding item numbers of the governing classification.)

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Item 1. Commodity: Cans, sheet steel or tin, NOI (52755).
From: Sacramento can plant, Fruitridge.
To:

	<u>Rate in Dollars per Pallet</u> (Min. 24 Pallets)	
Gridley	5.50 (1)	5.15 (2)
Sunnyvale	7.00 (3)	6.70 (4)

(1) (3) Without return paying load.
(2) (4) With return paying load on continuous round trip.

Item 2. Commodity: Can ends, steel or tin (40250).
From: Sacramento can plant, Fruitridge.
To:

	<u>Rate in Cents per CWT</u>			
	<u>2QM**</u>	<u>3QM**</u>	<u>8OM</u>	<u>12OM</u>
Gridley	61 $\frac{1}{2}$	52	40	25
Sunnyvale	79 $\frac{1}{2}$	66	53	47

Note: 2QM and 3QM rates apply on mixed shipments of cans in Item 1.

** Subject to Central Coastal Surcharge in MRT 2.

Item 3. Commodity: Tin plate.
To: Sacramento can plant, Fruitridge.
From:

	<u>Rates in Cents per CWT</u>	
	<u>8OM</u>	<u>12OM</u>
Pittsburg	29	26
Hayward	40	35
San Leandro (1)	40	35

(1) San Leandro rate applies in both directions and is subject to route via Oakland; additional charge of \$2.65 per ton, minimum \$70.80 per car.

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Item 4. Commodity: Pallets and shrouds, returning (see Note 1).
Between: Sacramento can plant, Fruitridge.
And:

	<u>Rates in Cents per CWT</u>			
	<u>AQ</u>	<u>5,000</u>	<u>10,000</u>	<u>20,000</u>
Gridley	207	81	58	40
Sunnyvale**	220	92	68	49

** Subject to Central Coastal Surcharge in MRT 2.

Note 1: Rail 5 to 1 rule to apply where authorized, and provided the bill of lading documentation meets the rail tariffs requirements.

Item 5. Commodity: Canned foodstuffs.
From: Sacramento can plant, Fruitridge
To:

	<u>Rates in Cents per CWT</u>	
	<u>36M</u>	<u>80M</u>
Gridley	67	-
Sunnyvale	50	37
Oakland	45	33
Union City-Fremont	50	37
Fresno	68	35

Item 6. Commodity: Canned foodstuffs.
From: Gridley, California.
To:

	<u>Rates in Cents per CWT</u>		
	<u>36M</u>	<u>50M</u>	<u>80M</u>
Sacramento can plant, Fruitridge	33	-	27
Sunnyvale	67	-	-
Fresno	93	-	65
Los Angeles	114	101	-

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Item 7. Commodity: Canned foodstuffs.

From: Sunnyvale, California.

To:

	<u>Rates in Cents per CWT</u>			
	<u>36M</u>	<u>40M</u>	<u>60M</u>	<u>80M</u>
Fresno	67	-	44	-
Sacramento	-	45	-	37
Gridley	67	-	-	-