

**ORIGINAL**Decision No. 87353

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of AMERICAN TRANSFER )  
 CO., a corporation for authority )  
 to charge at a rate less than )  
 those prescribed in Minimum Rate )  
 Tariff No. 6-B, for the trans- )  
 portation of petroleum products )  
 from Oildale, CA (sic) to )  
 Cupertino, CA (sic) for the )  
 account of Kaiser Cement & )  
 Gypsum Corporation. Pursuant to )  
 Section 452, of the Public Utili- )  
 ties Code of the State of )  
 California. )

Application No. 56734  
 (Filed September 7, 1976)  
 (Amended September 28, 1976)

OPINION AND ORDER

American Transfer Co., a corporation, operates as a petroleum irregular route carrier. By this application, as amended, it seeks authority to publish a rate which is less than the Commission's established minimum rate for the transportation of residual fuel oil from the Bakersfield Extended Area to Permanente.<sup>1</sup>

The present and proposed rates and charges for the above transportation are as follows:

Present Rate In Cents <u>Per 100 Pounds</u>	Present <u>Minimum Charge</u>	Proposed Rate In Cents <u>Per Barrel</u>	Proposed <u>Minimum Charge</u>
82	\$410.00	180	\$288.00

Applicant states that excellent loading and unloading conditions exist and Kaiser Cement & Gypsum Corporation will

<sup>1</sup> Applicant's rates are set forth in Western Motor Tariff Bureau, Inc., Agent, Local and Joint Freight and Express Tariff No. 18, Cal. P.U.C. No. 24.

utilize its equipment to off-load the oil at destination. Applicant avers that loading and delivery of the product will be done on a seven-day-per-week, twenty-four-hour-per-day basis. Applicant declares that the length of the movement is beneficial to it as its equipment will be utilized to the best advantage. Applicant asserts that the volume of this movement is from eight to ten loads per day and one truck can make two trips by changing drivers at Fresno.

The application and amendment were respectively listed on the Commission's Daily Calendars of September 10 and 29, 1976. California Trucking Association (CTA) objected to the ex parte handling of this matter stating that the sought relief is for essentially the same transportation service embraced by other matters then pending before the Commission -- Applications 56456 and 56457 involving Holland Oil Company. CTA declared that those matters were the subject of a Petition for Rehearing which was granted by the Commission. CTA requested a public hearing of the instant application on a common record with Applications 56456 and 56457, alleging that the relationship of these matters indicates the clear need for such hearing.

By Decision 86518 in Applications 56456 and 56457 and Order Granting Rehearing (Decision 86221 dated August 3, 1976), the Commission, at the request of Holland Oil Company, dismissed said applications and rescinded Decision 85870 and Order Granting Rehearing Decision 86221. CTA's request that the instant application be set for hearing with Applications 56456 and 56457 is moot.

CTA's letter of protest does not set forth any facts concerning the proposed deviation. It does not controvert any part of the application but merely states that "this organization is opposed to the ex parte consideration requested." Although applicant did not request ex parte treatment, we are granting the relief

on an ex parte basis as there is no controverted issue of fact to be tried. Therefore a hearing would serve no purpose and would be a waste of time and money for all parties and the taxpayers.

Revenue and expense data submitted by applicant are sufficient to determine that the transportation involved may reasonably be expected to be profitable under the proposed rate.

In the circumstances, the Commission finds that:

1. Excellent loading and unloading conditions exist.
2. Loading and delivery of the product will be done on a seven-day-per-week, twenty-four-hour-per-day basis.
3. The volume of the movement is from eight to ten loads per day.
4. One truck can make two trips per day by changing drivers at Fresno.
5. Applicant will obtain better utilization of its equipment.
6. There will be a saving to the shipper of \$122 per minimum shipment.
7. The needs of commerce and the public interest require that the proposed rate be established.
8. The proposed rate is reasonable and justified by transportation conditions.
9. Increases which may result in the event the proposed rate should expire with June 1, 1978, are justified.

The Commission concludes that the application, as amended, should be granted to the extent indicated in the ensuing order and the effective date of this order should be the date hereof because there is an immediate need for this rate relief. A public hearing is not necessary.

IT IS ORDERED that:

1. American Transfer Co., a corporation, is authorized to publish and file to expire with June 1, 1978, a rate for the

transportation of residual fuel oil as set forth, and subject to the conditions specified, in Appendix A attached hereto and by this reference made a part hereof.

2. Tariff publications authorized to be made as a result of the order herein may be made effective on one day's notice to the Commission and to the public.

3. American Transfer Co., a corporation, is authorized to depart from the provisions of Section 461.5 of the Public Utilities Code in establishing and maintaining the rate authorized herein. Schedules containing the rate published under this authority shall make reference to this order.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17<sup>th</sup> day of MAY, 1977.

Robert Bakum  
President  
William Lyons Jr.  
Vernon Sturgeon  
Robert D. Hall  
Commissioners

A. 56734

APPENDIX A

T-26,367

Carrier: American Transfer Co., a corporation.

Commodity: Residual Fuel Oil

From: Bakersfield Extended Area.

To: Permanente

Rate: \$1.80 per barrel

Minimum: 160 barrels per shipment.

Conditions:

1. An average of not less than eight loads per day shall be maintained in performing the service under the rate authorized herein.
2. In all other respects, the rates and rules in Western Motor Tariff Bureau, Inc., Agent, Local and Joint Freight and Express Tariff No. 18, Cal. P.U.C. No. 24 shall apply.

(END OF APPENDIX A)