

Decision No. 87354

**ORIGINAL**

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 )  
 Tariff No. 6-B, for the trans- )  
 portation of petroleum products )  
 moving in pressurized equipment )  
 on a Daily Vehicle Unit Volume )  
 Tender Rates for the account of )  
 Standard Oil Co. of California, )  
 Western Operations, Inc. Pursuant )  
 to Section 452 of the Public )  
 Utilities code of the State of )  
 California. )

Application No. 56748  
 (Filed September 13, 1976)

OPINION AND ORDER

American Transfer Co., a corporation, operates as a petroleum irregular route carrier. By this application, it seeks authority to publish daily vehicle unit volume tender rates for the transportation of petroleum products in pressurized tank truck equipment between points within 250 miles of the first point of origin.<sup>1</sup>

The proposed rates for the involved transportation differ from the daily vehicle unit volume tender rates in Minimum Rate Tariff 6-B (MRT 6-B) for the transportation of petroleum and petroleum products in other-than-pressurized tank truck equipment only with respect to the basic charge per unit of carrier's equipment. The proposed basic charge of \$58 per day per unit of carrier's equipment is higher than

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<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 (WMTB Tariff 18).

the basic charge in MRT 6-B of \$50 per day per unit of carrier's equipment for the latter transportation. The other factors (the charges for the driver's time and the miles traversed) used in constructing the proposed daily vehicle unit volume tender rates are the same as the corresponding factors used in constructing the daily vehicle unit volume tender rates in MRT 6-B for the transportation of petroleum and petroleum products in other-than-pressurized tank truck equipment.

Applicant states that loading at certain points of origin will be performed on a twenty-four-hour-day basis and unloading at the refinery will be on a twenty-four-hour-day, seven-day-per-week basis. Applicant avers that ten to twelve daily tenders will be offered and the balance of the loads will move on a point-to-point basis. Applicant declares that the monthly and yearly vehicle unit volume tender rates in MRT 6-B apply to the transportation of petroleum and petroleum products in tank truck equipment without any restrictions concerning the type of equipment and asserts that the daily vehicle unit volume tender rates in MRT 6-B are discriminatory in that they do not apply to the transportation of petroleum and petroleum products in pressurized tank truck equipment.

The application was listed on the Commission's Daily Calendar of September 16, 1976. California Trucking Association (CTA) objected to the ex parte handling of this matter alleging that applicant has not provided any information which would enable the requisite findings of Section 452 of the Public Utilities Code.

CTA's letter of protest does not set forth any facts concerning the proposed deviation nor does it controvert any part of the application. 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 rates.

In the circumstances, the Commission finds that:

1. Excellent loading and unloading conditions exist.
2. Loading at certain points of origin will be done on a seven-day-per-week basis.
3. Unloading at the refinery will be on a twenty-four-hour-day, seven-day-per-week basis.
4. Ten to twelve daily tenders will be offered and the balance of the loads will move on a point-to-point basis.
5. The monthly and yearly vehicle unit volume tender rates in MRT 6-B and WMTB Tariff 18 apply to services performed in either pressurized or non-pressurized tank truck equipment.
6. The daily vehicle unit volume tender rates in MRT 6-B and WMTB Tariff 18 apply only to services performed in non-pressurized tank truck equipment.
7. Higher rates in cents per 100 pounds apply to the transportation services involved herein when performed in pressurized tank truck equipment.
8. Higher rates for volume shipments of petroleum products in pressurized tank truck equipment than for other volume shipments of petroleum products in non-pressurized tank truck equipment under the circumstances recited herein cause an undue or unreasonable advantage, preference or prejudice to exist in favor of shippers which require service in non-pressurized tank truck equipment and an undue, unreasonable or unjust discrimination against, or undue burden on, shippers which require service in pressurized tank truck equipment.
9. The needs of commerce and the public interest require that the proposed rates be established.
10. The proposed rates are reasonable and justified by transportation conditions.
11. Increases which may result in the event the proposed rates should expire with June 1, 1978, are justified.

The Commission concludes that the application 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, rates for the transportation of petroleum products in pressurized tank truck equipment 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 rates authorized herein. Schedules containing the rates 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 17th  
day of MAY, 1977.

Robert Bakumil  
President  
William J. ...  
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...  
Commissioners

APPENDIX A

Carrier: American Transfer Co., a corporation.

Commodity: Petroleum products moving in pressurized tank truck equipment.

From: Any points of origin.

To: Any points of destination located within 250 miles of the first point of origin.

Rates: The daily vehicle unit volume tender rates in Item 700 of Western Motor Tariff Bureau, Inc., Agent, Local and Joint Freight and Express Tariff No. 18, Cal. P.U.C. No. 24, shall apply to the transportation involved herein except that the basic charge per unit of carrier's equipment shall be \$58.00 per day.

(END OF APPENDIX A)