

ORIGINAL

Decision No. 88802 MAY 2 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investiga-)
 tion for the purpose of consid-)
 ering and determining minimum)
 rates for transportation of)
 petroleum and petroleum products)
 in bulk, in tank truck equipment)
 statewide as provided in Minimum)
 Rate Tariff 6-B and the revi-)
 sions or reissues thereof.)

Case No. 5436
 Petition for Modification
 No. 266
 (Filed March 21, 1978)

OPINION AND ORDER

American Transfer Company operates as a petroleum irregular route carrier. By this petition it seeks authority to continue to publish and maintain 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.¹

Petitioner states the favorable operating conditions which justified the establishment of the reduced rate, by authority of Decision 87353, continue to exist. These conditions include the following: (1) excellent loading and unloading conditions (2) loading and receiving will be on a seven-day-per-week, twenty-four-hour-per-day basis (3) volume of movement averages eight loads per day and (4) petitioner can better utilize its equipment since one truck can make two trips per day.

The petition was listed on the Commission's Daily Calendar of March 22, 1978. No objection to the granting of the petition has been received.

Revenue and expense data submitted by petitioner are sufficient to determine that the transportation involved will continue to be profitable under the proposed rate.

In the circumstances, the Commission finds that:

1. Excellent loading and unloading conditions exist.

¹ The rate is set forth in Item 556 of Western Motor Tariff Bureau, Inc., Agent, Local and Joint Freight and Express Tariff No. 18, Cal. P.U.C. No. 24.

2. Loading and delivery of the product can be done on a seven-day-per-week, twenty-four-hour-per-day basis.

3. The volume of the movement averages eight loads per day.

4. One truck can make two trips per day.

5. Petitioner will obtain better utilization of its equipment.

6. The needs of commerce and the public interest require that the proposed rate be continued.

7. The proposed rate is reasonable and justified by transportation conditions.

8. Increases which may result in the event the proposed rate should expire with June 1, 1979, are justified.

The Commission concludes that the petition should be granted as set forth in the ensuing order. A public hearing is not necessary.

IT IS ORDERED that:

1. American Transfer Company is authorized to publish and file to expire with June 1, 1979, 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 ten days' notice to the Commission and to the public.

3. American Transfer Company 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.

APPENDIX A

Carrier: American Transfer Company, a corporation.

Commodity: Residual Fuel Oil

From: Bakersfield Extended Area.

To: Permanente

Rate: \$1.96 per barrel

Minimum: 160 barrels per shipment.

Conditions:

1. Facilities must be available for loading and unloading on a seven-day-per-week, twenty-four-hour-per-day basis.
2. An average of not less than eight loads per day shall be maintained in performing the service under the rate authorized herein.
3. 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)