

ORIGINAL

Decision No. 88836 MAY 16 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
MGM TRANSPORTATION CO., INC.)
a California corporation)

Application No. 57877
(Filed February 17, 1978)

for authority to deviate from the)
provisions of Minimum Rate Tariff)
No. 2 in connection with the)
transportation of glass bottles,)
demijohns and jars for GLASS CON-)
TAINER CORPORATION, pursuant to)
the provisions of Section 3666 of)
the California Public Utilities)
Code.)

OPINION AND ORDER

By this application M G M Transportation Co., Inc., a corporation, seeks authority to assess less than the rates set forth in Minimum Rate Tariff 2 for the transportation of glass bottles, demijohns and jars with a capacity of one gallon or less for Glass Container Corporation from its facility at Vernon to the cities and towns of Bakersfield, Di Giorgio, Edison and Delano, and the counties of Fresno and Tulare.

Applicant states that the shipper moves the involved commodities on an essentially regular basis. Applicant further contends that there are economies of operation which are available to the applicant because of the typical practice of the shipper to power load and the consignee to power unload all of the involved commodities.

Revenue and expense data submitted by applicant indicate that the transportation may reasonably be expected to be profitable under the proposed rates. A letter submitted by applicant's attorney on April 5, 1978, indicates that applicant does not intend to utilize subhaulers in connection with the operation contemplated by this deviation.

The application was listed on the Commission's Daily Calendar of February 22, 1978. California Trucking Association filed a letter dated March 15 opposing ex parte consideration of this matter.

No objection to the granting of the application has been received in the form prescribed by Rule 42.2 of the Commission's Rule of Practice and Procedure. Rule 42.2 requires that a protest must be filed in accordance with Rules 7 and 11 (original and twelve conformed copies) of the Commission's Rules of Practice and Procedure and within 20 days of the publication of the filing of the application in the Commission's Calendar. These conditions have not been met by California Trucking Association. In addition, the letter did not set forth any specific facts upon which the protest was based except to request that any action be delayed until OSH 977 in Case 5432 was settled. In Decision 86739, the Commission has stated:

"Until such time as we have adequate information before us to establish commodity rates..., we cannot expect carriers and shippers to patiently wait while such a determination is made. In the absence of commodity minimum rates carriers are encouraged to come forward with proposals in those instances where the transportation conditions are such that lower rates may be appropriate."

In the circumstances, the Commission finds that applicant's proposal is reasonable. A public hearing is not necessary. The Commission concludes that the application should be granted as set forth 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.

IT IS ORDERED that:

1. M G M Transportation Co., Inc., a corporation is authorized to perform the transportation shown in Appendix A attached hereto and by this reference made a part hereof at not less than the rates set forth therein.
2. The authority granted herein shall expire one year after the effective date of this order unless sooner canceled, modified or extended by further order of the Commission.

A. 57877 - dlb*

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 16th day
of MAY, 1978.

I dissent
William Sproun J.

Robert Bateman
President

Veronica L. Stegman

Richard D. Givens

Cherie T. DeLoach
Commissioners

APPENDIX A

Carrier: MGM Transportation Co.

Shipper: Glass Container Corporation
Fullerton, California

Commodity: Glass bottles, carboys, demijohns, or jars, other than cut, with or without their equipment of caps, covers, stoppers, or tops, one gallon or less in capacity.

Service and Rates:

From the plants and facilities of Glass Container Corporation at Vernon to points in the following:

(a) Counties - Fresno and Tulare

Applicable rates per hundred pounds:

Minimum weight 30,000 lbs. - \$.97
Minimum weight 35,000 lbs. - \$.93
Minimum weight 40,000 lbs. - \$.88
Minimum weight 45,000 lbs. - \$.81

(b) Cities and towns - Bakersfield
DiGiorgio
Edison

Applicable rates per hundred pounds:

Minimum weight 30,000 lbs. - \$.84
Minimum weight 35,000 lbs. - \$.81
Minimum weight 40,000 lbs. - \$.79
Minimum weight 45,000 lbs. - \$.72

(c) Cities and towns - Delano

Minimum weight 30,000 lbs. - \$.88
Minimum weight 35,000 lbs. - \$.85
Minimum weight 40,000 lbs. - \$.82
Minimum weight 45,000 lbs. - \$.78

Conditions:

- a. Rates above shall apply to single unit of equipment only and shall not apply where there is a split pickup or a split delivery.
- b. In the event subhaulers are employed, they shall be paid no less than the rates authorized herein without any deduction for use of applicants trailing equipment.
- c. To the extent not otherwise specifically provided, the provisions of Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)