

Decision No. 88838

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of AMERICAN TRANSFER CO., a)
corporation, for an order autho-)
rizing departure from the rates,)
rules and regulations of Minimum)
Rate Tariff No. 2, pursuant to)
the provisions of Section 3666)
of the Public Utilities Code,)
for the transportation of glass,)
flat, not bent, for PPG Indus-)
tries, Inc. from Fresno; and for)
Guardian Industries Corp. from)
Sunmaid siding near Kingsburg to)
points in the San Francisco Bay)
area within Metropolitan Zones)
101 through 135.)

Application No. 57814
(Filed January 19, 1978)

OPINION AND ORDER

By this application, American Transfer Co., a corporation, requests authority to deviate from the provisions of Minimum Rate Tariff 2 for the transportation of glass, flat, not bent, for PPG Industries, Inc. (PPG) from Fresno, and for Guardian Industries Corp. (Guardian) from Sunmaid Siding near Kingsburg to points in the San Francisco Bay area within Metropolitan Zones 101 through 135.¹

¹ The present and proposed rates in cents per 100 pounds for representative shipments of glass, flat, not bent, are:

<u>From</u>	<u>To</u>	<u>Present Rates</u> <u>Minimum Weight</u> <u>45,000 Pounds</u>	<u>Proposed Rates</u> <u>Minimum Weight</u> <u>50,000 Pounds</u>
Fresno	San Francisco MZ 101	103	64
Sunmaid Siding near Kingsburg	Oakland MZ 111	103	64

Applicant states that it has transported the involved commodity for PPG Industries since 1969 pursuant to the authority granted by Decision 76516 from said shipper's plant at Fresno to its customers situated in the Los Angeles Metropolitan Zones 201 through 262. This decision has been extended indefinitely by Special Deviation Docket 551 issued on April 12, 1977.

Applicant declares that Guardian Industries Corp. is completing a plant for the manufacture of glass, flat, not bent, at Sunmaid Siding located approximately two miles north of Kingsburg.

Applicant asserts that it is at present transporting approximately five to ten loads per week for PPG at rail rates. Granting of this application would permit equalization of the charges to both on-rail and off-rail customers. As previously stated in Application 51088, PPG competes extensively with glass importers. Consequently, transportation expense is a vital item of cost affecting the ability of applicant to meet foreign competition.

Applicant avers that after completion of the plant Guardian would undoubtedly be faced with the same situation as PPG is now facing under the conditions stated hereinabove.

The application was listed on the Commission's Daily Calendar of January 23, 1978. California Trucking Association (CTA) objected to the ex parte handling of this matter stating that the wages and payroll taxes appear to be understated. In addition, CTA points out that applicant indicated higher fixed and running expenses in its application for an extension of the authority granted by Special Deviation Docket 551 than those shown in this application, yet identical shippers and traffic are involved in both filings.

Mr. Marvin Handler, applicant's attorney, responded to CTA's objection stating:

"...Mr. Kaspar calls attention to what he believes to be discrepancies in certain of the expenses shown in Application No. 57814 and Special Deviation Docket 551. In the meantime, an amendment to Special Deviation Docket 551, which had been filed by American Transfer Co. itself and not through this office, was dismissed by it and in lieu thereof it filed Application No. 57869, a copy of which (according to the certificate of service) was served upon California Trucking Association."

In a subsequent letter dated March 24, 1978 CTA indicated it has no objection to the ex parte consideration requested by applicant.

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.

The authority granted herein shall be predicated upon the removal of the involved commodity from applicant's certificate.

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 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.

IT IS ORDERED that:

1. American Transfer Co., 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 rate set forth therein.
2. The authority granted herein shall become effective concurrently with the effective date of the tariff filings required by paragraph 2 of Decision 88736.

3. The authority granted herein shall expire one year after the effective date of this order unless sooner cancelled, modified or extended by further order of the Commission.

The effective date of this order is the date hereof.

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

I dissent
William S. Brown

Robert B. Brown
President

James L. Sturgeon

Richard D. Howell

Clare T. Hedrick
Commissioners

APPENDIX A

Carrier: American Transfer Co.
For: PPG Industries, Inc., Fresno and Guardian Industries Corp., Sunmaid Siding near Kingsburg.
Commodity: Glass, flat, not bent.
To: Points in the San Francisco Bay area within Metropolitan Zones 101 through 135.
Rate: 64 cents per 100 pounds.
Minimum Weight: 50,000 pounds.

Conditions:

1. Shipments shall be power loaded and power unloaded without expense to the carrier.
2. Applicant has indicated that subhaulers will not be engaged. If subhaulers are employed, they shall be paid not less than the rate authorized herein without any deduction for use of applicant's trailing equipment.
3. In all other respects, the rates and rules in Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)