

Decision No. **89035** JUN 27 1978**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Fibreboard Corpora- )  
 tion (doing business as Container )  
 Transport Company) for authority )  
 under Section 3666 of the Public )  
 Utilities Code of the State of )  
 California to deviate from the )  
 minimum rates for the transporta- )  
 tion of waste paper for recycling )  
 for Independent Paper Stock Co. )  
 from Daly City, Napa and Modesto )  
 to Antioch and Stockton and from )  
 Woodland, Pittsburg and Sacramento )  
 to Stockton. )

Application No. 58029  
 (Filed April 27, 1978)

OPINION AND ORDER

By this application, Fibreboard Corporation, doing business as Container Transport Company, requests authority to deviate from the provisions of Minimum Rate Tariff 2 in connection with the transportation of waste paper for recycling for Independent Paper Stock Co. from Daly City, Napa and Modesto to Antioch and Stockton, and from Woodland, Pittsburg and Sacramento to Stockton.

The application is based upon the following facts and circumstances cited by the applicant: (a) Pacific Paper Products Inc. has acquired the operations of Independent Paper Stock Company. Prior to Pacific Paperboard Products' ownership of Independent Paper Stock Company, applicant has historically acted as the house carrier for Independent Paper Stock Company in private carriage; (b) shipments will be power loaded and unloaded by the shipper and consignee without expense to the carrier or assistance of carrier's personnel; (c) movements will be on a regular basis with an anticipated volume of six truckloads per month; (d) applicant will perform the service as a prime carrier and will not engage subhaulers.

Revenue and expense data submitted by applicant indicate that the transportation involved may reasonably be expected to be profitable under the proposed rates.

The application was listed on the Commission's Daily Calendar of April 28, 1978. California Trucking Association (CTA) objected to the ex parte handling of the matter stating that costs have been developed on the basis of one-way mileages. It contends that in order to be profitable, the operation must depend upon backhaul traffic.

Applicant responded to CTA's allegations stating that the operation is dependent upon backhaul of waste paper. It affirms the waste paper traffic would move only as the result of a related head-haul which has been scheduled. Applicant has also submitted a summary of projected revenue and costs for the period from April 1, 1978 to March 31, 1979 showing both the outbound and inbound movements, resulting in a profit of \$2,673 for that period.

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.

IT IS ORDERED that:

1. Fibreboard Corporation, doing business as Container Transport Company, 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 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 27<sup>th</sup> day of JUNE, 1978.

*I dissent*  
*William S. Squire*

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President

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*Vernon L. Sturgeon*  
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*Richard D. Howell*  
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*Clair F. DeLoach*  
Commissioners

-2- Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.

## APPENDIX A

Carrier: Fibreboard Corporation doing business as Container Transport Company

Commodity: Waste paper for recycling

For: Independent Paper Stock Company

<u>From</u>	<u>To</u>	<u>Rates in cents per 100 pounds</u>
Daly City )		29
Napa )	Antioch	40
Modesto )		32

<u>From</u>	<u>To</u>	<u>Rates in cents per 100 pounds</u>
Daly City )		32
Napa )		40
Modesto )	Stockton	29
Woodland )		48
Pittsburg )		30
Sacramento )		29

Minimum Weight: 45,000 pounds

## Conditions:

1. Shipments shall be power loaded by the shipper and power unloaded by the consignee without assistance of, or expense to, the carrier.
2. Movements will be on a regular basis, with an anticipated volume of six truckloads per month, and shall be predicated upon related headhaul shipments.
3. Applicant has indicated that subhaulers will not be engaged nor have any costs of subhaulers been submitted. Therefore, if subhaulers are employed, they shall be paid no less than the rates authorized herein without any deduction for use of applicant's trailing equipment.
4. In all other respects, the rates and rules in Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)