

ORIGINAL

Decision No. 34424

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment of)
just, reasonable and non-discriminatory)
maximum or minimum or maximum and mini-)
mum rates, rules, classifications and)
regulations for the transportation of)
property over the public highways in)
the Cities of San Diego, Chula Vista,)
Coronado, and National City.)

Case No. 4135

In the Matter of the Investigation and)
Establishment of rates, charges, clas-)
sifications, rules, regulations, con-)
tracts, and practices, or any thereof,)
of Common Carriers of property between)
the Cities of San Diego, Chula Vista,)
Coronado and National City, or any of)
them.)

Case No. 4139

In the Matter of the establishment of)
maximum or minimum, or maximum and)
minimum rates, rules and regulations)
of all Radial Highway Common Carriers)
and Highway Contract Carriers, operat-)
ing motor vehicles over the public)
highways of the State of California,)
pursuant to Chapter 223, Statutes of)
1935, for the transportation for com-)
pensation or hire of any and all com-)
modities, and accessorial services)
incident to such transportation.)

Case No. 4088
(Part "K")

BY THE COMMISSION:

ORDER DENYING APPLICATION FOR REHEARING
AND
SUPPLEMENTAL OPINION AND ORDER

By Decision No. 34348 of June 24, 1941, the exemption
of building materials transported in dump trucks from the
minimum rates theretofore established in these proceedings for
for-hire carriers operating within the San Diego drayage area

was modified to become effective August 1, 1941. As so modified that exemption will embrace only such building materials as are described in and for which rates are provided in City Carriers' Tariff No. 6-Highway Carriers' Tariff No. 7 (Appendix "A" to Decision No. 32566, 42 C.R.C. 272, as amended) and other building materials will be subject to the minimum rates set forth in Appendix "A" to Decision No. 30021 of August 9, 1937, as amended, in these proceedings.

In its application for rehearing filed July 3, 1941, California Portland Cement Company urges that minimum rates for building materials provided by said Decision No. 30021, as amended by Decision No. 34343 and prior amendatory orders are excessive, confiscatory, unreasonable, unjust and in violation of law. Representations made in support of these allegations are, however, confined to operations involving the handling of portland cement in bulk. Applicant states that it has constructed certain hoppers at San Diego from which dump trucks are loaded by gravity flow and has contracted with Van Velsir & Lohnes, a for-hire carrier, for the transportation of bulk cement in dump trucks from these hoppers to the silos of Pacific Bridge Company constructed for receiving bulk cement. The distance the property is transported is said to be $1\frac{1}{2}$ miles and the contract rate 5 cents per barrel, approximately $1\frac{1}{3}$ cents per 100 pounds. The minimum rate scheduled to become effective on bulk cement in dump trucks on August 1, 1941, for the distance involved is the same rate as that now in effect on cement in bags, namely, $2\frac{1}{2}$ cents per 100 pounds.

Applicant contends that the construction and use of the hoppers and silos has decreased the loading and unloading costs of handling the bulk cement in question to a mere fraction of the loading and unloading costs of cement in bags and that the compensation

provided for in the contract with Van Velsir & Lohnes is fair, just and reasonable in view of the lower costs of handling attributable to the use of the bulk loading and unloading facilities.

From applicant's showing it appears that operating economies are experienced by the carriers where special facilities are maintained by consignor and consignee for the handling of cement in bulk. The minimum rates ordered to be observed effective August 1, 1941, do not appear to be designed to give effect to these operating economies and, therefore, seem to be in need of revision. Portland cement in bulk in dump trucks will accordingly be exempted from the San Diego drayage rates until such time as a more comprehensive record is made with respect to that transportation.

As previously stated, applicant has made no showing with respect to the transportation of building materials other than portland cement. The Commission has carefully considered the application for rehearing and each and every allegation contained therein and is of the opinion that said Decision No. 34348 should be affirmed. Upon the exemption of portland cement provided for herein applicant has shown no need for further relief.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that Appendix "A" to Decision No. 30021, as amended, in the above entitled proceedings be and it is hereby further amended, effective August 1, 1941, by adding subparagraph (10) to paragraph (b) of Rule No. 10 reading as follows:

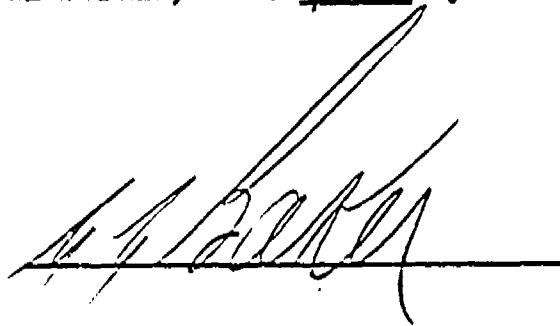
"Cement, portland (building), in bulk in dump trucks."

IT IS HEREBY FURTHER ORDERED that in all other respects said Decision No. 30021, as amended, shall remain in full force and effect.

IT IS HEREBY FURTHER ORDERED that the application of California Portland Cement Company filed July 3, 1941, in these proceedings be and it is hereby denied.

The effective date of this order shall be five (5) days from the date hereof.

Dated at San Francisco, California, this 15th day of July, 1941.



Justus J. Craemer
Francis C. Haveman

Richard Kachke
Commissioners.