

Decision No. 46199

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 JAMES GRIFALL and CHARLES GRIFALL,)
 copartners doing business as)
 GRIFALL BROS. TRUCKING COMPANY, for) Application No. 32653
 authority to charge less than mini-)
 mum rates under the provisions of)
 the Highway Carriers' Act.)

Appearance

Marvin Handler, for applicants.

O P I N I O N

James Grifall and Charles Grifall, doing business as Grifall Bros. Trucking Company, operate under a highway contract carrier permit. They seek authority to transport calcined dolomite for the Kaiser Aluminum and Chemical Corporation at a rate less than that established as minimum.

Public hearing was held at San Francisco on September 5, 1951, before Examiner Lake.

The transportation in question involves the movement of calcined dolomite from Kaiser Aluminum and Chemical Corporation plants at Natividad and Moss Landing to Salinas.¹ According to the record, 90,000 to 100,000 tons of calcined dolomite are being shipped by the above-mentioned company to Salinas per year. Eighty percent of the movement is from Natividad and twenty percent is from Moss Landing. The transportation is presently being performed by the shipper in its own equipment but because of the need for the

¹ Natividad is located approximately 7½ miles northeast of Salinas. Moss Landing is situated about 12 miles northwest of Salinas.

equipment in intraplant and interplant operations the shipper has sought the services of applicants.

The property is to be shipped in bulk in covered hopper bottom dump equipment which permits loading through the top and unloading by gravity underneath. The shipper proposes to perform all necessary services of removing and replacing the manhole covers in the loading operations and in the opening and closing of the discharge gates at destination. Loading and unloading can be performed in approximately 17 minutes and 10 minutes, respectively. To handle this movement the carrier proposes to assign one truck train. The equipment would be operated on two shifts per day of eight hours each for six days per week. The routes of movement would be over paved roads which are almost free from turns and curves. No grades would be encountered and the traffic is expected to be extremely light except for a short distance entering and leaving Salinas. Assertedly, these conditions will result in a better than average utilization of applicants' equipment and in lower operating costs not ordinarily prevailing in movement of this class of property.

The minimum rate established for this transportation from both Natividad and Moss Landing to Salinas is the Class C rate of 6.5 cents per 100 pounds applicable for constructive distances of over 3 but not over 15 miles. Applicants seek authority to observe a rate of 1.75 cents per 100 pounds from both points of origin. The estimated cost of performing this service, before provisions for income taxes, was determined by a consulting engineer to be 1.21 cents per 100 pounds from Natividad to Salinas and 1.69 cents per 100 pounds from Moss Landing to Salinas. The operating ratio under the proposed rates would be 69.1 percent and 96.5 percent on

the movements from Natividad and Moss Landing, respectively. On the basis of 80 percent movement from Natividad and 20 percent movement from Moss Landing, the average operating ratio was determined to be 74.4 percent.

The traffic manager of the chemical division of the Kaiser Aluminum and Chemical Corporation testified that unless the authority herein sought is granted his company would make arrangements to continue to transport this movement in proprietary equipment.

No one opposed the granting of the application.

The record is convincing that in view of the unusually favorable circumstances and conditions which will obtain, applicants will be able to conduct the proposed operations on a compensatory basis.

We are of the opinion and hereby find that the rate proposed by applicants is reasonable. The application will be granted. Because the circumstances may change, however, the authority will be made to expire at the end of one year, unless sooner changed, canceled or extended by order of the Commission.

O R D E R

This application having been heard and submitted and full consideration of the matters and things involved having been had and based upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that James Grifall and Charles Grifall, copartners doing business as Grifall Bros. Trucking Company, be and they are hereby authorized to transport calcined dolomite for the Kaiser Aluminum and Chemical Corporation from Natividad and

Moss Landing to Salinas at a rate less than the established minimum rate, but not less than 1.75 cents per 100 pounds.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire one (1) year after the effective date of this order unless sooner changed, canceled or extended by order of the Commission.

This order shall become effective twenty (20) days after the date hereof.

Dated at Los Angeles, California, this 18th day of September, 1951.

R. T. Anderson
President
Justus B. Calver
Harold P. Hale
John L. Mitchell
Commissioners