Decision No. 46258

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 ) Appl authority to charge less than ) minimum rates under the provisions ) of the Highway Carriers' Act. )

Application No. 32748

## OPINION AND ORDER

James Grifall and Charles Grifall, copartners doing business as Grifall Bros. Trucking Company, hold a highway contract carrier permit. By this application filed under Section 11 of the Highway Carriers' Act, they seek authority to transport calcined dolomite for the Kaiser Aluminum & Chemical Corporation from Natividad (near Salinas) to Manteca at a rate less than the established minimum rate.

The verified application shows that Kaiser has recently commenced the operation of a magnesium plant at Manteca; that the plant will require delivery of approximately 5,250 tons of calcined dolomite per month; and that applicants are now transporting smaller quantities of dolomite for Kaiser between the points here involved at the minimum rate of 21.5 cents. Applicants propose to observe a 16.75-cent rate for the transportation in question.

The application shows that loading and unloading of the equipment would be done by the shipper; that facilities for loading and unloading would be available 24 hours a day, seven days a weck; that routes of movement would be over good highways; and that conditions surrounding the transportation would result in better

Rates are stated herein in cents per 100 pounds.

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-1-

than average equipment use and in lower than normal operating costs. The estimated cost of performing this service, before provision for income tax, is shown as 15.13 cents per 100 pounds. The resulting operating ratio under the proposed rate would be 90.3 percent. The operations involved are also similar to those now being performed by applicants for Kaiser between other points.

Applicants state that Kaiser considers the minimum rate to be excessive, but is willing to pay the proposed 16.75-cent rate; and that, unless the relief herein requested is granted, Kaiser will resort to proprietary operations.

Interested parties have been notified of the filing of the application. No objections have been offered.

It appears that in view of the unusually favorable conditions surrounding the transportation in question, compensatory operations may reasonably be expected under the proposed rate. It has been demonstrated that the proposed rate is reasonable. The application will be granted. A public hearing is not necessary. However, because the conditions under which the transportation is performed may change at any time, the authority will be limited to a one-year period, unless sooner changed, canceled or extended by order of the Commission.

Therefore, good cause appearing,

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 & Chemical Corporation from Natividad to Manteca at a rate less than the established minimum rate, but not less than 16.75 cents per 100 pounds.

-2-

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 San Francisco, California, this \_\_\_\_\_ day of October, 1951.

President

Commissioners