# ORIGINAL

50433

Decision No.\_

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation ) into the rates, rules, regulations, ) charges, allowances and practices ) of all common carriers, highway car-) riers and city carriers relating to ) the transportation of sand, rock, ) gravel and related items (commodities for which rates are provided in ) City Carriers' Tariff No. 6 - Highway) Carriers' Tariff No. 7).

Case No. 5437 (Petition No. 8)

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E. O. Blackman, for California Dump Truck Owners Association, Inc., petitioner. Francis W. Walker and Franklin B. Hansen, for Associated Dump Truckers of California, Inc.; Austin H. Peck, Jr., and H. G. Feraud, for Southern California Rock Products Association; interested partiles. R. A. Lubich and C. S. Abernathy, for the Commission's staff.

## <u>O P I N I O N</u>

By Petition for Modification No. 8, filed in this proceeding, the California Dump Truck Owners Association, Inc., seeks an increase of 5 per cent in the zone rates which apply as minimum for the transportation of rock, sand, gravel and decomposed granite in dump trucks over the public highways between designated production areas and delivery zones in Los Angeles, Orange, Ventura and San Diego Counties.<sup>1</sup> Petitioner asserts that the sought increase is

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No changes are proposed in the zone rates applicable in the southern part of San Diego County.

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necessary to meet increases in costs of operation which have been experienced since the rates here in issue were last adjusted in 1953.<sup>2</sup>

Public hearing was held before Examiner Carter R. Bishop at Los Angeles on May 19, 1954. Evidence was introduced by petitioner's manager and by the executive secretary of the Southern California Rock Products Association, Inc. Counsel for interested carriers and shippers and members of the Commission's engineering and rate section staff assisted in the development of the record.

Petitioner's manager offered an exhibit in which he undertook to adjust the cost data introduced at the 1953 hearing involving the transportation here in issue to reflect the changes in costs of operation of 3-axle trucks which have taken place since that time. According to the exhibit, the principal increases have been in drivers' wages and related welfare benefits.<sup>3</sup> Additionally, there have been increases in taxes and licenses and in the cost of insurance, fuel, oil, tires and repairs. Having modified the cost data submitted at the 1953 hearing to reflect the afore-mentioned increases, but making no other adjustments, the manager developed the hourly cost of operation. Comparing this result with the corresponding figure developed at the previous hearing, he calculated that, since May 1953, the cost of operating 3-axle units of dump truck equipment had increased 5.45 per cent.

The adjustment to which reference is made became effective May 11, 1953, pursuant to Decision No. 48514, dated April 21, 1953, in Case No. 4808.

3 The increases in question are in the wages of drivers engaged in the hauling of rock, sand and aggregates. According to the witness, they became effective October 1, 1953. Assertedly, at the time of the hearing adjustments in the wages of decomposed granite haulers were under negotiation. No one opposed the granting of the petition. The executive secretary of the Southern California Rock Products Association testified on behalf of that Association in support of the sought rate increases.<sup>4</sup>

The record herein discloses that since the zone rates involved herein were last adjusted, the dump truck carriers engaged in the transportation of rock, sand, gravel and decomposed granite under those rates have encountered increases in their operating costs. We conclude from the showing made that under the conditions now prevailing the present minimum zone rates do not reasonably reflect current cost levels and that the rates should be increased. The increase in the minimum rates proposed by petitioner appears to be, and is here found to be, justified. The petition will be granted.

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Based upon the evidence of record and the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that City Carriers' Tariff No. 6 -Highway Carriers' Tariff No. 7 (Appendix "A" to Decision No. 32566 as amended) be and it is hereby further amended by incorporating therein Supplement No. 11 cancels Supplement No. 10, attached hereto and by this reference made a part hereof.

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The Southern California Rock Products Association, this witness stated, is composed of the producers of rock, sand and gravel in Los Angeles County, with the exception of one producer in San Fernando Valley, and includes one Orange County producer.

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IT IS HEREBY FURTHER ORDERED that in all other respects Decision No. 32566, as amended, shall remain in full force and effect

This order shall become effective September 6, 1954. Dated at MANAMANAN, California, this 17 Hz day of ///// 195 12 un

Commissioners

# SPECIAL SUPPLEMENT CONTAINING INCREASED RATES AND CHARGES

SUPPLEMENT NO. 11 (Cancels Supplement No. 10) (Supplement No. 11 contains all changes)

То

CITY CARRIERS' TARIFF NO. 6

HIGHMAY CARRIERS ! TARIFF NO. 7

Naming

MININUM RATES, RULES AND REGULATIONS

For The

Transportation of Property in Dump Truck Equipment Between Points in California

Эу

RADIAL HIGHLAY COLMON CARRIERS

HIGHMAY CONTRACT CARRIERS

And

CITY CARRIERS

Authorized by Decision No.

50433

EFFECTIVE SEPTEMBER 6, 1954

Issued by the PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA State Building, Civic Center San Francisco 2, California

### ITEM NO. 1 - GENERAL APPLICATION

The increase as provided in this supplement shall be applied to the zone rates named in Section No. 3 of City Carriers' Tariff No. 6 -Highway Carriers' Tariff No. 7 with the following exceptions:

> (a) The increases provided herein shall not be applied in the construction of zone rates for the transportation of

> > Asphaltic Concrete (commonly called "Hot Stuff") or for Cold Road Oil Mixture (commonly called "Plant Mix")

(b) The increases provided herein shall not apply for transportation between the following production areas and delivery zones:

Production Areas

#### Delivery Zones

San Bernardino-Riverside	San Bernardino-Riverside			
Counties	Counties			
San Diego County Production Areas A, B, C, D, E, F, G and H.	San Diego County Delivery Zones Nos. 1 through 28, inclusive.			

ITEM NO. 2 -- APPLICATION OF TABLE

Find the applicable rate named in the tariff under Column "...". The increased rate to be applied will be found opposite thereto in Column "B".

#### ITEM NO. 3 - COMBINATION RATES

When the through rate is made by combining separately stated rates, each of such rates shall be increased before combining.

## ITEN NO. 4 - TABLE OF INCREASED RATES IN CENTS

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Find the rate as shown in the tariff under Column "A" and apply the rate opposite thereto in Column "B".

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rate opposite thereto in Column "B".										
Col. A	Col. B	Col.	Col. B	Col. A	Col. B	Col. A	Col. B	Col. A	Col. B	
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