

ORIGINAL

62296

Decision No. _____

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
carriers and city carriers relating
to the transportation of sand, rock,
gravel and related items (commodities
for which rates are provided in
Minimum Rate Tariff No. 7).

Case No. 5437

Petition No. 70, Filed
February 1, 1961

E. O. Blackman, for California Dump Truck
Owners Association, Inc., petitioner.
Phil Jacobson, for J & H Co., respondent.
W. H. Keating, for Southern California Rock
Products Association, interested party.
Arlo D. Poe, J. C. Kaspar and James Quintrall,
for California Trucking Associations., Inc.,
interested party.
R. A. Lubich and Carl Blaubach, for the Com-
mission's staff.

O P I N I O N

At issue in this matter are certain minimum hourly rates which the Commission has heretofore prescribed for the transportation of rock, sand, gravel and other designated materials by dump truck equipment between points in Southern California. Said rates are set forth in Item No. 365 series of Minimum Rate Tariff No. 7. They vary according to the cubic capacity of the dump truck equipment used and according to the conditions under which the equipment is loaded.

The proposals which are under consideration herein pertain to the rates that apply to dump truck equipment of more than

18 cubic yards capacity when the loading is performed by hopper, chute or bunker. These rates are as follows:

<u>Level Capacity of Dump Truck Body in Cubic Yards</u>		<u>Rate in Cents per Hour</u>
<u>More Than</u>	<u>But Not More Than</u>	
18	19	\$11.60
19	20	11.87
20		(See Note)

Note: Add 27 cents per hour to the rate for 20 cubic yards for each cubic yard or fraction thereof that the capacity of the equipment used exceeds 20 cubic yards.

The California Dump Truck Owners Association, Inc., the petitioner in this matter, seeks revision of the foregoing provisions to the end that the rate of \$11.60 per hour be designated as the minimum hourly rate for all equipment of more than 18 cubic yards capacity.¹

Public hearing on the petition was held before Examiner C. S. Abernathy at Los Angeles on April 10, 1961. Evidence in support of the petition was presented by applicant's general manager, by four carriers, and by a witness for a producer of rock products. A representative of the California Trucking Association, Inc., and members of the Commission's staff also participated in the development of the record.

As explained in the petition and by the several witnesses, the circumstance which has prompted the proposals herein is the

¹ The hourly rates that are set forth herein include an increase of 24 cents an hour prescribed by Decision No. 62031 to become effective June 17, 1961. In its petition the California Dump Truck Owners Association, Inc., asked for the designation of a rate of \$11.36 per hour as the applicable minimum rate for dump truck equipment of more than 18 cubic yards capacity. However, the rate of \$11.60 per hour which is shown as the sought rate includes the 24-cent increase prescribed by Decision No. 62031, since it was evident at the hearing in this matter that the real objective of petitioner's proposals is that the same minimum rates apply for equipment of more than 19 cubic yards capacity as those that apply for equipment of more than 18 cubic yards but not more than 19 cubic yards capacity.

fact that, as applied to the transportation of processed sand, gravel, crushed stone and asphaltic concrete in dump truck equipment of more than about 19 cubic yards capacity, the present minimum rate provisions require, in effect, the computation of freight charges on the basis of greater loads than those which may be transported legally under provisions of the California Vehicle Code. The Vehicle Code prescribes a weight of 76,800 pounds as the maximum gross weight for any combination and length of vehicles that may be operated legally over the public highways. In the operation of modern dump truck equipment the maximum net weight that may be transported within this gross weight limit is about 26 tons. Because processed sand, gravel, crushed stone and asphaltic concrete have relatively high densities of 2,900 pounds or more per cubic yard, maximum legal loads of these materials can be, and are, transported in dump truck equipment having capacities of about 18 to 19 cubic yards.

Nevertheless, a number of the dump truck vehicles that are used in the transportation of processed sand, gravel and crushed stone are vehicles which have greater capacities in order to accommodate maximum legal loads of commodities of lesser densities or to transport heavier loads in off-highway construction where the legal weight limitations do not apply. Because of the greater capacities of these vehicles, the minimum rates per hour which apply for the transportation of processed sand, gravel and crushed stone in these vehicles are greater than the rate which applies to the same shipment in dump truck equipment having capacities of 18 to 19 cubic yards.² It is these rate differentials

²The minimum rate per hour that applies, for example, to equipment of capacity of 24 cubic yards would be \$12.95 per hour; as stated hereinbefore, the corresponding rate for dump truck equipment of capacity of 18 to 19 cubic yards is \$11.60 per hour.

that petitioner assails and seeks to have removed. Assertedly, they are discriminatory and against the public interest.

The carrier witnesses testified to the effect that the elimination of the rate differentials is essential to the efficient utilization of the larger dump truck equipment in the transportation of rock products because shippers will not pay the differentials in order to have their shipments transported in said equipment. They testified also that the use of said equipment facilitates the transportation of shipments of rock products because better distribution of the loads on the vehicles can be achieved, thereby reducing spillage. They said, furthermore, that with the larger vehicles there is less probability of their being charged with weight violations of the Vehicle Code due to shifting of loads while enroute.³ The witness who testified for a rock products producer supported the proposals for the effect that they would have towards the reduction of spillage from the carriers' vehicles. Also, he said that the sought modifications are favored by the Southern California Rock Products Association, an association which is comprised of most of the principal producers of rock products in southern California.

No one appeared in opposition to the granting of the petition.

³ The violations involved are those arising out of excessive axle loadings.

The petition should be granted. The record is clear that the present rate structure unnecessarily limits the efficient usage of the dump truck equipment that is principally involved. It appears that adoption of petitioner's proposals would remove such limitations, and would otherwise tend to permit generally more efficient practices in the transportation of rock products in quantities that approximate the maximum loadings allowed under the Vehicle Code. In the circumstances the Commission finds and concludes that the adjustments of the rates which petitioner seeks have been shown to be justified, and that such adjustments should be made in the interests of maintaining reasonable and nondiscriminatory minimum rates for the transportation that is subject thereto.

O R D E R

Based on the evidence of record and on the findings and conclusions in the preceding opinion,

IT IS HEREBY ORDERED that:

1. Minimum Rate Tariff No. 7 (Appendix "A" of Decision No. 32566, as amended) be and it is hereby further amended by incorporating therein, to become effective September 2, 1961, the following revised tariff page, which page is attached hereto and is made a part hereof by this reference:

Sixth Revised Page 42-C

2. In all other respects said Decision No. 32566, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 18th
day of July, 1961.

Conrad W. Bage
President
Edith E. Mitchell
S. L. Fox
George J. Grover
Frederick B. Holbrook
Commissioners

Item No.	SECTION NO. 4		HOURLY RATES (Concluded)		
	COMMODITIES, as described in Item No. 320.				
	COLUMN "A" rates apply where the loading is performed by power loading device, excepting processed sand, gravel or crushed stone in stock piles at a commercial producing plant, at point of consumption or at intermediate point of transfer. A hopper chute or bunker shall not be deemed to be a power loading device.				
	COLUMN "B" rates apply where the loading is performed by hand and where the average mileage of the vehicle does not exceed eight miles per hour for the period of time the vehicle is in use each day.				
	COLUMN "C" rates apply where transportation or loading is under conditions other than described under application of Column "A" or Column "B" rates.				
*365	Level Capacity of Dump Truck Body in Cubic Yards (See Note 1)		SOUTHERN TERRITORY (See Item No. 100) (1) Rates in Cents Per Hour (See Item No. 300) (See Note 2)		
			Column A	Column B	Column C
	Over	But Not Over			
	0	3	631	506	625
	3	4	669	534	663
	4	5	712	554	694
	5	6	755	588	733
	6	7	798	625	771
	7	8	847	679	804
	8	9	890	717	841
	9	10	928	750	879
	10	11	966	781	917
	11	12	1014	828	955
	12	13	1057	852	998
	13	14	1084	879	1025
	14	15	1111	901	1052
	15	16	1149	947	1079
	16	17	1176	980	1106
	17	18	1203	1012	1133
	b(2)18	-	-	-	1160
	(3)18	19	1230	1044	
	(3)19	20	1257	1077	
	(3)20	Add to rate for 20 cubic yards. capacity for each cubic yard or fraction thereof --	27	32	
	(1) Minimum charge shall be the rate for one hour.				
	(2) Applies only in connection with rates in Column C.				
	(3) Does not apply in connection with rates in Column C.				

NOTE 1. -- Level capacity of Dump Truck body means the cubical content of the body in cubic yards calculated by multiplying the inside length by the average inside width and the average inside height of the sides of the body, including temporary side boards, if such boards are used, with no allowance for the crown of the load or for low head board or low tail gate.

In the case of a Dump Truck body not constructed for use of a tail gate (such as the so-called "rock body"), the inside length shall be deemed to mean the average of the measurement along the top of the sides from the inside of the head board to the point of the angle where the sides are diverted downward to meet the floor, and the measurement along the floor from the inside of the head board to the end of the body.

NOTE 2.--(a) For transportation service furnished under this item on Sundays and/or New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, the applicable hourly rate shall be \$3.98 an hour in excess of those set forth above.

(b) Except as otherwise provided by paragraph (a) of this Note, the applicable hourly rates for transportation furnished on Saturdays or during periods in excess of 8 hours in any one shift shall be \$2.10 an hour in excess of those set forth above.

* Change	}	Decision No. 62236
b Reduction		

EFFECTIVE SEPTEMBER 2, 1961

Issued by the Public Utilities Commission of the State of California,	San Francisco, California.
Correction No. 882	