

ORIGINAL

Decision No. 63604

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Donald H. Shields, a)
contract permit carrier, for)
authority to charge less than)
minimum rates for the)
transportation of crushed gypsum)
rock.)

Application No. 43922
(Filed November 15, 1961;
amended December 18, 1961.)

OPINION AND ORDER

Donald H. Shields, applicant herein, is engaged in the transportation of rock products by dump truck equipment under a permit authorizing operations as a highway contract carrier. His services include the transportation of crushed gypsum rock for the Monolith Portland Cement Company. By this application he seeks authority to assess rates for his services for Monolith which are different from those that apply to said services pursuant to minimum rate orders of this Commission.

The applicable minimum rates, rules and regulations are contained in Minimum Rate Tariff No. 7. In general, the rates in this tariff are set forth on two main bases -- those for transportation within Southern California Territory and those for transportation within Northern California Territory. Southern Territory consists of the counties of Santa Barbara, Ventura, Los Angeles, Orange, San Diego, Imperial, Riverside, San Bernardino, Inyo and Mono. Northern Territory includes the other counties in the State. Rates for interterritorial movements are those which apply for transportation within the territory in which the shipments originate.

The shipments of rock which applicant transports for the Monolith Portland Cement Company originate in Southern Territory at a quarry about 5 miles east of Ventucopa, Ventura County. They are delivered in Northern Territory to railheads at Maricopa and Pentland, Kern County. Their average weight per load is 25 tons. About two thirds of the distance traversed in the delivery of these shipments is within Northern Territory. Since, however, the shipments originate in Southern Territory, they are subject to the southern rates. The rates which applicant seeks to assess are rates which apply within Northern Territory.

In effect, applicant is seeking authority to reduce his charges for the transportation involved. The distance rates for Southern Territory which now apply to the services result in charges which are about 38 to 45 percent higher than the rates which apply to the same services in Northern Territory. These differences in charges are due largely to the nature of the rates. The Southern Territory rates are in the nature of general rates which are subject to a minimum weight of 8 tons per shipment.¹ The rates which applicant seeks to assess are rates which have been established specifically for shipments of 23 tons or more per load which are delivered to railheads and certain other destinations. Applicant alleges that for the services in question the charges under the Southern Territory distance rates are excessive and unreasonable, and that unless he may charge lower rates, Monolith Portland Cement Company will undertake to perform the transportation with its own facilities.

¹ The minimum weight is 6 tons per shipment for transportation within San Diego County.

The California Dump Truck Owners Association, Inc., and the California Trucking Associations, Inc., have been informed of applicant's proposal in this matter. Neither association has expressed opposition to the granting of the application.

It is evident that except for the fact that a portion of the movements are within Southern Territory, the transportation which applicant performs for the Monolith Portland Cement Company is the same in all essential respects as that for which specific rates are provided in Minimum Rate Tariff No. 7 in connection with the movement of rock and various other commodities, in loads of 23 tons or more, from commercial producing plants to specified destinations in Northern Territory. In the circumstances we find that rates which are the same in volume and effect as those which the tariff provides for the aforesaid movements in Northern Territory are reasonable as minimum rates for the transportation which is the subject of this application. Applicant's request to observe such rates as minimum rates for said transportation and to assess charges accordingly will be granted. Since, however, the conditions under which the transportation is performed may change, the authority which is granted will be limited to one year unless sooner canceled, changed or extended by order of the Commission.

A public hearing on this matter is not necessary.

Good cause appearing,

IT IS ORDERED that:

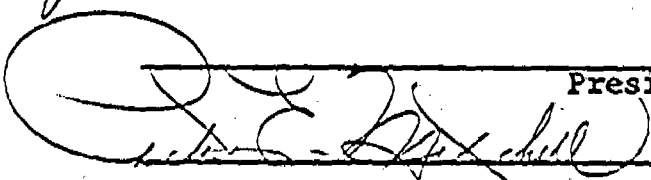
1. Donald H. Shields be, and he hereby is, authorized to transport, by dump truck equipment, crushed gypsum rock, in loads of 23 tons or more per unit of equipment used, for the Monolith


Portland Cement Company from a quarry of said company which is located in Quatal Canyon at a point about 5 miles east of Ventucopa to railhead destinations at Maricopa and Pentland for rates that, in volume and effect, are not less than those which, in accordance with the provisions of Item No. 148 series of Minimum Rate Tariff No. 7, apply at time of shipment for like transportation from a commercial producing plant in Northern Territory to a railhead.

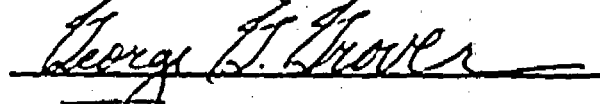
2. The authority herein granted shall expire one year after the effective date hereof.

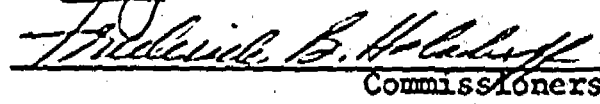
The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California,
this 24th day of April, 1962.



President






Commissioners

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.