

Decision No. 70089**ORIGINAL**

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 for Modification No. 116
 (Filed October 13, 1965)

E. O. Blackman, for California Dump Truck Owners Association, petitioner.
J. C. Kaspar, Arlo D. Poe and H. F. Kollmyer for California Trucking Association; Brundage & Hackler, by Daniel Feins, for Western Conference of Teamsters; and G. Ralph Grago, for Associated Independent Owner-Operators, Inc.; interested parties.
Henry E. Frank and R. A. Lubich, for the Commission staff.

O P I N I O N

California Dump Truck Owners Association, an organization of approximately 700 highway permit carriers engaged in dump truck transportation in California, seeks increases in the hourly rates for transportation of commodities in dump trucks, as set forth in Minimum Rate Tariff No. 7.

Public hearing was held and the matter submitted before Examiner Mallory at San Francisco on November 5, 1965. Copies of the petition and notices of hearing were served in accordance with the Commission's procedural rules. Petitioner orally amended the petition at the hearing by requesting that the rates for the upper Northern Territory be increased by \$0.33 in lieu of \$0.24, as requested in the petition. Interested parties other than the

Commission staff supported the increases sought. There are no protests.

Evidence in substantiation of the petition was presented by petitioner's general manager. The witness testified that the proposed rate increases are sought to compensate for the latest increases in carrier wage costs. He testified that the levels of wages contained in collective bargaining agreements between the Associated General Contractors and teamster unions are reflected in the hourly rates set forth in Minimum Rate Tariff No. 7; the current rate levels are based on wages contained in agreements effective January 1, 1965; such agreements have been renegotiated and higher levels of wages were made effective August 1, 1965; and since the latter date dump truck carriers employing drivers subject to said agreements have been paying the higher scales of wages.

According to the witness, the total increase in straight-time wages and fringe benefits amounts to 31 cents per hour for operations conducted in Upper Northern Territory and 30 cents per hour for operations conducted in Lower Northern Territory and in Southern Territory. The rate increases proposed by petitioner represent such increased wage costs plus an allowance for carriers' profit (before provision for income taxes) as indicated by an operating ratio of 93 percent. The witness asserted that said profit factor has been used in prior offset rate adjustments. The witness stated that petitioner recognized that increases have occurred in other elements of the cost of performing service under hourly rates, but petitioner made no effort to measure such cost changes inasmuch as it expects that Commission staff studies relating to this transportation will be completed shortly. These studies would serve as a basis for the complete revision of the rate structure to reflect

current economic conditions. Assertedly there are no known reductions in carrier costs of operation.

California Trucking Association (C.T.A.), Western Conference of Teamsters, and Associated Independent Owner-Operators, Inc. supported the relief sought. They urged that the proposed rate increases be made effective as soon as possible because carriers are now incurring the increased wage costs sought to be reflected in the proposed rates. C.T.A. stated that it, as well as petitioner, is concerned with maintenance of minimum rates on a current basis, but it did not file a petition seeking increases in rates to offset current labor and other cost changes, as it believed the aforementioned staff studies would be before the Commission shortly. The staff representatives stated that, while these studies have been under way for some time, it was not possible to state when the studies would be completed. C.T.A. requested that the decision herein indicate the progress of the staff studies and the anticipated dates of hearing in connection therewith.

We find:

1. The hourly rates in Minimum Rate Tariff No. 7 were last adjusted pursuant to Decision No. 68037, dated October 13, 1964.
2. Collective bargaining agreements in effect between teamsters unions and various chapters of the Associated General Contractors of America contain the prevailing wage scales for drivers of dump truck equipment operating under hourly rates.
3. Said agreements negotiated in 1965 and setting forth wage scales effective August 1, 1965 reflect the current prevailing wages for dump truck transportation under hourly rates.
4. Effective August 1, 1965, said wage and fringe benefits were increased on a straight-time basis, by 31 cents per hour in Upper Northern Territory and by 30 cents per hour in Lower Northern

Territory and in Southern Territory, over prevailing wages previously in effect.

5. The additional wage costs effective August 1, 1965 are not reflected in the hourly rates set forth in Minimum Rate Tariff No. 7.

6. The present hourly rates prescribed in Minimum Rate Tariff No. 7 are insufficient to the extent they do not reflect the increases in driver's wage costs which became effective August 1, 1965.

7. The increased hourly rates set forth in the tariff pages accompanying this order are, and for the future will be, the just, reasonable, and non-discriminatory minimum rates to be assessed by highway carriers and city carriers for transportation subject to the provisions of said minimum rate tariff.

The Commission concludes that Minimum Rate Tariff No. 7 should be amended as provided by the order which follows. C.T.A.'s request concerning the inclusion of expected dates of completion of staff studies and hearings thereon will be denied. The Commission is informed that its Transportation Division is endeavoring to complete said studies as expeditiously as possible, but the completion dates cannot, as yet, be determined.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff No. 7 (Appendix A of Decision No. 32566, as amended) is further amended by incorporating therein, to become effective January 22, 1966, the revised pages attached hereto, and by this reference made a part hereof, which pages are numbered as follows:

Twenty-first Revised Page 42.
Fifteenth Revised Page 42-A.
Fifteenth Revised Page 42-C.
First Revised Page 42-D.

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

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

Dated at San Francisco, California, this 14th day of DECEMBER, 1966.

Frederick B. Holcomb
President
Arthur E. Galt
George L. Crow
William C. Bennett
Commissioners

Commissioner A. W. Gatev, being necessarily absent, did not participate in the disposition of this proceeding.

Item No.	SECTION NO. 4 - HOURLY RATES (Continued)									
	COMMODITIES, as described in Item No. 320 (Items Nos. 360, 361 and 362).									
Level Capacity of Dump Truck Body in Cubic Yards. (See Note 1 in Item No. 362)	NORTHERN TERRITORY (See Item No. 110) (1)(2) Rates in Cents per Hour (See Item No. 300)									
	Upper Northern District (See Item No. 315)									
Over	But Not Over	Column A			Column B			Column C		
		M	O	P	M	O	P	M	O	P
0	2	712	1121	916	639	1048	843	687	1096	891
2	3	767	1176	971	677	1086	881	738	1117	942
3	4	825	1234	1029	716	1125	920	790	1199	994
4	5	886	1302	1093	759	1175	966	844	1260	1051
5	6	940	1356	1147	796	1212	1003	891	1307	1098
6	7	1012	1449	1229	852	1289	1069	957	1394	1174
7	8	1055	1492	1272	884	1321	1101	999	1436	1216
8	9	1131	1593	1361	940	1402	1170	1064	1526	1294
9	10	1175	1637	1405	970	1432	1200	1101	1563	1331
10	11	1216	1678	1446	998	1460	1230	1136	1598	1366
11	12	1255	1717	1485	1024	1486	1254	1167	1629	1397
12	13	1295	1761	1528	1053	1519	1286	1202	1668	1435
13	14	1326	1792	1559	1074	1540	1307	1228	1694	1461
14	15	1355	1821	1588	1094	1560	1327	1253	1719	1486
15	16	1381	1847	1614	1111	1577	1344	1275	1741	1508
16	17	1418	1897	1657	1142	1619	1379	1308	1787	1547
17	18	1448	1927	1687	1164	1643	1403	1335	1814	1574
18	19	1467	1946	1706	1177	1656	1416	1350	1829	1589
19	20	1484	1963	1723	1188	1667	1427	1365	1844	1604
20	(3)	017	017	017	011	011	011	014	014	014

(1) Minimum charge shall be the rate for one hour.
 (2) For application of Columns A, B and C and Subcolumns M, O and P, see Item No. 362.
 (3) Add to the rate for 20 cubic yards capacity, the amount shown opposite this reference mark for each additional cubic yard or fraction thereof.

(Continued in Items Nos. 361 and 362)

◇ Increase, except as noted)
 ○ No change) Decision No. **70089**

EFFECTIVE JANUARY 22, 1966

Issued by the Public Utilities Commission of the State of California,
 San Francisco, California.

Correction No. 1150

Item No.	SECTION NO. 4 - HOURLY RATES (Continued)										
	COMMODITIES, as described in Item No. 320 (Item Nos. 360, 361 and 362).										
	Level Capacity of Dump Truck Body in Cubic Yards. (See Note 1 in Item No. 362)	NORTHERN TERRITORY (See Item No. 110) (1)(2) Rates in Cents per Hour (See Item No. 300)									
		Lower Northern District (See Item No. 315)									
		Column A			Column B			Column C			
	Over	But Not Over	M	O	P	M	O	P	M	O	P
	0	2	712	1142	926	639	1069	853	676	1106	890
	2	3	769	1199	983	677	1107	891	725	1155	939
	3	4	825	1255	1039	716	1146	930	777	1207	991
	4	5	883	1316	1098	756	1189	971	830	1263	1045
	5	6	937	1370	1152	793	1226	1008	878	1311	1093
	6	7	988	1421	1203	828	1261	1043	924	1357	1139
	7	8	1036	1469	1251	860	1293	1075	975	1408	1190
	8	9	1087	1525	1305	896	1334	1114	1008	1446	1226
	9	10	1131	1569	1349	926	1364	1144	1052	1490	1270
	10	11	1172	1610	1390	954	1392	1172	1084	1522	1302
	11	12	1211	1649	1429	980	1418	1198	1115	1553	1333
	12	13	1254	1700	1476	1012	1458	1234	1152	1598	1374
361	13	14	1285	1731	1507	1033	1479	1255	1178	1624	1400
	14	15	1312	1758	1534	1053	1499	1275	1201	1647	1423
	15	16	1340	1777	1562	1070	1516	1292	1221	1667	1443
	16	17	1386	1854	1619	1108	1576	1341	1261	1729	1494
	17	18	1416	1884	1649	1132	1600	1365	1286	1754	1519
	18	19	1435	1903	1668	1145	1613	1378	1301	1769	1534
	19	20	1450	1920	1685	1156	1624	1389	1315	1783	1548
	20	21	1467	1937	1702	1167	1635	1400	1329	1797	1562
	21	22	1484	1954	1719	1178	1646	1411	1343	1811	1576
	22	23	1501	1971	1736	1189	1657	1422	1357	1825	1590
	23	24	1518	1988	1753	1200	1668	1433	1371	1839	1604
	24	25	1535	2005	1770	1211	1679	1444	1385	1853	1618
	25	26	1575	2068	1822	1245	1736	1490	1422	1913	1667
	26	(3)	017	017	017	011	011	011	014	014	014
	(1) Minimum charge shall be the rate for one hour. (2) For application of Columns A, B and C and Subcolumns M, O and P, see Item No. 362. (3) Add to the rate for 26 cubic yards capacity, the amount shown opposite this reference mark for each additional cubic yard or fraction thereof. (Continued in Item No. 362)										

◇ Increase, except as noted)
○ No change) Decision No. 70089

EFFECTIVE JANUARY 22, 1966

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.

Correction No. 1151

Item No.	SECTION NO. 4 - HOURLY RATES (Continued)				
	COMMODITIES, as described in Item No. 320. (Items Nos. 365 and 366)				
	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.				
	Level Capacity of Dump Truck Body in Cubic Yards (See Note 1 in Item No. 366)	SOUTHERN TERRITORY (See Item No. 100) (1) Rates in Cents Per Hour (See Item No. 300) (See Note 2)			
365	Over	But Not Over	Column A	Column B	Column C
	0	3	744	619	738
	3	4	782	647	776
	4	5	825	667	807
	5	6	868	701	846
	6	7	911	738	884
	7	8	960	792	917
	8	9	1003	830	954
	9	10	1041	863	992
	10	11	1079	894	1030
	11	12	1127	941	1068
	12	13	1170	965	1111
	13	14	1197	992	1138
	14	15	1224	1014	1165
	15	16	1262	1060	1192
	16	17	1289	1093	1219
	17	18	1316	1125	1246
	(2)18	-	-	-	1273
	(3)18	19	1343	1157	
	(3)19	20	1370	1190	
	(3)20	21	1397	1222	
	(3)21	22	1424	1254	
	(3)22	23	1451	1286	
	(3)23	24	1478	1318	
	(3)24	25	1505	1350	
	(3)25	26	1555	1405	
	(3)26	(4)	627	632	

- (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.
- (4) Add to the rate for 26 cubic yards capacity, the amount shown opposite this reference mark for each additional cubic yard or fraction thereof.

(Continued in Item No. 366)

◇ Increase, except as noted } Decision No. 70089
o No change }

EFFECTIVE JANUARY 22, 1966

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.

Correction No. 1152

Item No.	SECTION NO. 4 - HOURLY RATES (Concluded)
	<p style="text-align: center;">COMMODITIES, as described in Item No. 320. (Items Nos. 365 and 366)</p> <p>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.</p> <p>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.</p> <p>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, add to the applicable hourly rate shown above: ◊\$5.28 per hour when the level capacity is less than 25 cubic yards; ◊\$5.74 per hour when the level capacity is 25 cubic yards or more.</p> <p>(b) Except as otherwise provided in paragraph (a) of this note and in the Exception set forth below, for transportation service furnished under this item on Saturdays or during periods in excess of 8 hours in any one shift, add to the applicable hourly rate shown above: ◊\$2.82 per hour when the level capacity is less than 25 cubic yards; or ◊\$3.17 per hour when the level capacity is 25 cubic yards or more. Subject to Paragraphs 2 and 3 of Item No. 300, "periods in excess of 8 hours in any one shift" means the time which exceeds 8 hours from the time the driver with dump truck equipment reports for service, during which time said driver is continuously engaged by one shipper or overlying carrier, irrespective of the number of loads transported within the period.</p> <p>EXCEPTION. - The additional rates set forth in paragraph (b) shall not apply to transportation service performed on days, other than Saturdays, except when service is performed by one driver with dump truck equipment for a period in excess of 8 hours in any one shift.</p>
◊ 366	<p style="text-align: center;">◊ Increase, Decision No. 70089</p>
	<p>EFFECTIVE JANUARY 22, 1966</p>
	<p>Issued by the Public Utilities Commission of the State of California, San Francisco, California.</p> <p>Correction No. 1153</p>