

Decision No. 70952**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of DEVINE & SON TRUCKING CO., a corporation, for authority to charge rates lower than the minimum rates established by the California Public Utilities Commission for the transportation of unprocessed bark and sawmill residue incidental to production from points in California named herein to Vita-Bark Inc. at Elk Creek, California.

Application No. 48346  
(Filed March 28, 1966)

James J. Devine, for applicant.  
C. D. Gilbert, H. F. Kollmyer and  
A. D. Poe, for California Trucking  
Association, interested party.  
George H. Morrison and J. C. Matson, for  
the Commission staff.

O P I N I O N

This application was heard and submitted before Examiner Thompson on May 11, 1966 at Sacramento. Copies of the application and notice of hearing were served in accordance with the Commission's procedural rules. There are no protests.

Devine & Son Trucking Co., a corporation, is engaged in transportation, among other things, as a highway contract carrier of wood chips, bark and sawmill residue between Elk Creek, Ukiah and Paskenta. This operation is conducted as a division of the corporation. Other divisions transport other commodities as a highway common carrier and as a permitted carrier. Applicant seeks herein authority to charge and collect rates different and less than the applicable minimum rates for the transportation of unprocessed bark and sawmill residue for Vita-Bark, Inc.

Applicant proposes to charge a rate of \$4.15 per unit of 200 cubic feet for transportation from Paskenta and from Ukiah to Elk Creek. According to applicant a unit of 200 cubic feet is the unit of measurement commonly used in the trade and on shipments from Ukiah, which consist primarily of pine bark, the unit will weigh approximately 2,827 pounds and on shipments from Paskenta, which consist mainly of fir bark, the unit will weigh approximately 2,993 pounds. The minimum rates are in cents per 100 pounds.

Since 1960 applicant has transported wood chips to Ukiah from the plant of Glenco Forest Products Co. at Elk Creek. Vita-Bark, Inc. is engaged in the production of soil additives and nutrients, among other things, which are made from bark and sawmill residue. In 1964 it established a plant at Elk Creek for grinding, sizing, storing and distributing ground bark products. Until recently its supply of raw material was obtained from the plant of Glenco Forest Products Co. The bark and residue are by-products of the production of wood chips. Vita-Bark requires additional raw material for its Elk Creek plant and has arranged to obtain that supply from mills at Ukiah and Paskenta. It has used the services of applicant to transport this material. Vita-Bark operates similar plant facilities at Shingle Springs and at Truckee. Its president testified that the company uses its own trucks to transport the raw materials and the finished products to and from those plants; that he is cognizant of the costs of transporting bark and residue; that transportation costs are the major portion of the cost of placing the products in the market because the products are of low value; and that Vita-Bark will undertake to provide its own trucking facilities for the Elk Creek plant similar to those it uses at Shingle Springs and Truckee if applicant is not authorized to charge the proposed rates.

The president of applicant stated that the division of the company performing the transportation has one set of trailers constructed specially for the transportation of bark and has an additional set on order. These trailers, operated as doubles, are 26-foot, open-top vans with a hydraulic hoist for end dumping. It also has three other sets of trailers designed principally for the transportation of wood chips that can be used to transport bark. They do not have hydraulic hoists; however, they can be unloaded by dumping with the use of a crane at the destination at Elk Creek. He said that the transportation of unprocessed bark to Elk Creek complements the operations in the transportation of wood chips from Elk Creek to Ukiah and the transportation of processed bark products from Elk Creek to and through Willows, which is the terminal of the division.

The president testified that although the minimum rate for transportation between Paskenta and Elk Creek is based upon 41 constructive miles, the route traversed by his trucks is 73 actual miles. He said that the constructive mileage route has two bridges with posted load limits and that while there are routes between the points shorter than the one his trucks traverse, for operational reasons it is desirable that the vehicles be routed via the division's terminal at Willows.

He presented an estimate, based upon the applicant's experience in this transportation, of the costs of providing the service between Elk Creek and Paskenta and between Elk Creek and Ukiah along the routes to be traversed. The estimate shows that the rates will be compensatory.

California Trucking Association and the Commission staff participated by cross-examining the witnesses. The evidence offered by applicant is uncontradicted and fully supports the

estimates of the cost of providing the service. We find that the proposed rates are reasonable and conclude that the application should be granted.

In accordance with the policy of the Commission in these matters the authority granted will be scheduled to expire in one year.

ORDER

IT IS ORDERED that:

1. Devine & Son Trucking Co., a corporation, is authorized to charge and collect rates different from and less than the applicable minimum rates but not less than the rates set forth in Appendix A, attached hereto and by this reference made a part hereof, for the transportation of unprocessed bark and sawmill residue for Vita-Bark, Inc., from Paskenta and Ukiah, on the one hand, to Elk Creek, on the other hand.

2. The authority granted herein shall expire July 31, 1967 unless sooner canceled, modified or extended by order of the Commission.

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

Dated at San Francisco, California, this 12<sup>th</sup> day of JULY, 1966.

John E. Mitchell President  
George H. Trovler  
Fredrick B. Hallock  
Augustus  
William W. Bennett Commissioners

APPENDIX A

Devine & Son Trucking Co.

Schedule of Minimum Rates  
for the Transportation of  
Unprocessed Bark and Sawmill Residue  
for Vita-Bark, Inc.

Section 1.

- Item No. 10. Except as provided in Section 2, the transportation of unprocessed bark and sawmill residue shall be subject to the minimum rates and rules set forth in Minimum Rate Tariff No. 2 in effect at the time of transportation.

Section 2.

- Item No. 20. Rates in this section apply to the transportation of unprocessed bark and sawmill residue, in bulk, from Paskenta and Ukiah to Elk Creek.
- Item No. 25. Rates in this section are based upon a unit of measurement of a unit equal to 200 cubic feet of the commodity in bulk.
- Item No. 30. Rates in Dollars per unit to Elk Creek

<u>From</u>	<u>Rate per Unit</u>	<u>Minimum Load per Trip</u>
Paskenta	\$4.15	14.25 units
Ukiah	4.15	15 units

End of Schedule