

**ORIGINAL**

Decision No. 73914

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )	
UNIVERSAL TRANSPORT SYSTEM, INC., )	
for authority to depart from the )	Application No. 49995
minimum rates, rules and regulations )	(Filed February 2, 1968)
of Minimum Rate Tariff No. 7, pur- )	Application No. 50080
suant to the provisions of Section )	(Filed March 11, 1968)
3666 of the Public Utilities Code )	
for transportation performed for )	
PACIFIC READY-MIX, INC. )	

OPINION AND ORDER

Applicant holds radial highway common carrier, highway contract carrier and city carrier permits.<sup>1</sup> By Decision No. 71718 dated December 20, 1966, in Application No. 48756, applicant was authorized to charge rates less than the established minimum rates for the transportation of concrete aggregate for Pacific Ready-Mix, Inc., from plants in the City of Fremont to Palo Alto and Mountain View. The authority is scheduled to expire with April 1, 1968. By these applications Universal Transport System, Inc., seeks to:

(1) extend the current authority to March 31, 1969, or to 60 days after the effective date of any labor agreement which may result from current labor negotiations, whichever occurs first and (2) amend the present authority by eliminating the currently authorized rate deviation to the plant of Pacific Ready-Mix, Inc., at Palo Alto.

<sup>1</sup>

It also holds certificates to operate as a highway common carrier and as a cement carrier which are not involved in these proceedings.

Applicant declares that, while there have been both increases and reductions in certain individual expenses related to the authority involved, the total operating costs experienced by it during 1967 are substantially the same as the costs which justified the original authority. Applicant alleges that, in the event a new labor contract is negotiated, labor costs will be increased and present rates will no longer continue to be reasonable. Applicant states that for this reason alternative provisions concerning the expiration date of the authority have been requested. According to applicant, it currently has no knowledge of any operating expense, other than labor costs, which will increase during the coming year.

Revenue and expense data furnished by applicant indicate that the transportation involved has been profitable and reasonably may be expected to be profitable in the ensuing year.

The certificate of service shows that copies of the applications were mailed to California Trucking Association and to Pacific Ready-Mix, Inc., on or about February 1 and March 11, 1968. The applications were listed on the Commission's Daily Calendar of February 5 and March 12, 1968. No objection to the granting of the applications has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rate is reasonable for the transportation involved and that the authority granted herein should be made to expire with April 1, 1969; provided, however, that, if a collective bargaining labor agreement increasing wages of drivers engaged in the considered service is made effective prior to January 30, 1969,

applicant shall so inform the Commission as indicated in the ensuing order and the authority shall expire 60 days after the effective date of that contract. A public hearing is not necessary. The Commission concludes that the applications should be granted. In view of the impending expiration date of the current authority, the order which follows will be made effective April 1, 1968.

IT IS ORDERED that:


1. Universal Transport System, Inc., is authorized to transport aggregate (rock, sand and/or gravel) for Pacific Ready-Mix, Inc., from plants in Alameda Production Area A to the plant of Pacific Ready-Mix located at 605 East Fairchild Drive, Mountain View, at a rate less than that established in Minimum Rate Tariff No. 7 but not less than that set forth in Appendix A, attached hereto and by this reference made a part hereof.

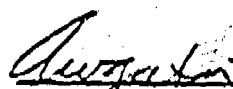
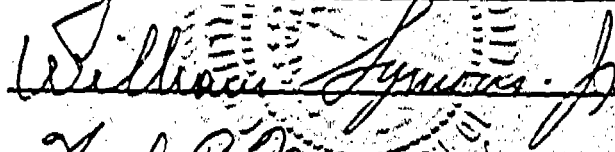
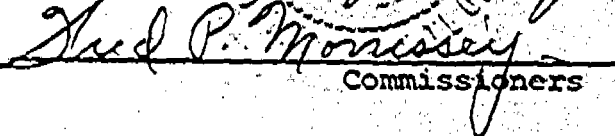
2. The authority herein granted shall, on and after April 1, 1968, supersede the authority granted by Decision No. 71718, as amended by Decisions Nos. 72551, 73145 and 73500, and shall expire with March 31, 1969, or 60 days after the effective date of any increase in labor costs experienced in providing transportation service herein involved, which may result from negotiation of a labor collective bargaining agreement, whichever occurs first.

3. In the event a collective bargaining labor agreement is made effective prior to January 30, 1969, increasing the wages of drivers involved in the aforementioned transportation, applicant shall notify the Commission in writing of that fact not later than 10 days after the effective date of such agreement.

The effective date of this order shall be April 1, 1968.

Dated at Los Angeles, California, this 26<sup>th</sup> day of March, 1968.

  
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President

  
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\_\_\_\_\_  
  
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

Appendix A

Universal Transport System, Inc.

Schedule of Minimum Rates for  
Transportation of Aggregate for  
Pacific Ready-Mix, Inc.

Commodity: Concrete Aggregate (rock, sand and/or gravel)

From: (1) Pacific Cement and Aggregates' plant at  
37151 Sequoia Road, Centerville  
(2) Pacific Cement and Aggregates' plant at  
Rock Avenue, Niles.  
(3) Rhodes & Jamieson, Ltd., plant at  
2650 Jamieson Avenue, Fremont.

To: Pacific Ready-Mix, Inc., plant at  
605 East Fairchild Drive, Mountain View

Rate in Cents Per Ton, Minimum Weight 2 $\frac{1}{2}$  tons.

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In all other respects the rates and rules in Minimum Rate Tariff  
No. 7 shall apply.

End of Appendix A