

Decision No. 76087

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application under Section 3666 of
the Public Utilities Code of
PROGRESSIVE TRANSPORTATION COMPANY,
a corporation, to perform trans-
portation in the movement of fabri-
cated steel from the Fabricating
Division of Kaiser Steel Corporation
located at Etiwanda Junction, San
Bernardino County, to the Atlantic-
Richfield Plaza Project, Los Angeles,
at rates less than the established
minimum rates.

Application No. 51117
(Filed May 28, 1969)

Warren N. Grossman, of Knapp, Gill, Hibbert
& Stevens, for Progressive Transportation
Company, applicant.
Arthur D. Maruna, H. F. Kollmyer and Arlo D.
Poe, for California Trucking Association,
interested party.
Mark Sepaspour and Joseph C. Matson, for the
Commission staff.

O P I N I O N

This application was heard July 8 and 11, 1969 before
Examiner Thompson at San Francisco and was submitted. Copies of
the application and notice of hearing were served in accordance
with the Commission's rules. There are no protests.

Applicant is a highway common carrier and a highway
permit carrier with operations generally conducted in southern
California. It seeks authority as a highway contract carrier to
charge less than the established minimum rates for the transporta-
tion of fabricated steel from the fabrication plant of Kaiser
Steel Corporation located at Etiwanda Junction, San Bernardino
County, to the Atlantic-Richfield Plaza project located on Flower

Street between 5th and 6th Streets, Los Angeles. The fabricated steel is to be used for the structure of the building complex in the project. The job involving the steel construction is to start around the first of September and continue for about one year. Kaiser will erect the steel at the building site and will load and unload applicant's equipment. The total tonnage involved is 45,000 tons and will consist of conventional structural steel items and 144 steel columns ranging in weight from 23 tons to 38 tons each.

Applicant proposes to perform such transportation at a rate of 15 cents per 100 pounds, 40,000 pound truckload minimum weight, and 14 cents per 100 pounds, 50,000 pound truckload minimum weight. Free loading time and unloading time will be restricted to one hour each. In all other respects the rates and rules in Minimum Rate Tariff No. 2 will apply.

The lowest rate applicable to the subject transportation is 24-1/2 cents per 100 pounds, minimum weight 80,000 pounds, developed as a combination rail-truck rate.

Applicant estimates there will be a total of 2,181 loads to deliver. It is not anticipated that deliveries will be made each working day because of weather conditions or because of requirements at the jobsite; however, when deliveries are required it will be at the rate of 10 loads per day. Applicant intends to accommodate such daily requirement with 5 tractors and 6 semi-trailers in a shuttle-type operation whereby a tractor will pick up a laden trailer at the Kaiser plant and leave an empty trailer to be loaded. Each tractor will make two loads per day and will

garage each night at applicant's terminal which is located near the Kaiser plant. The Atlantic-Richfield project is 49 miles from the Kaiser plant. In its cost analysis applicant estimated the 2,181 loads would require 9,898 tractor hours traversing 214,828 miles. The hours include 4-1/2 hours per trip plus 83 hours total deadhead time involved for the tractor to go from the terminal to the plant to pick up its first load each day. The miles include 1,090 miles between the terminal and the plant. Applicant estimates that the total transportation will provide a gross revenue of \$134,149 and that its expense will be \$119,018. While the developments of costs leading to the expense figure appear in some instances to be overstated and in others to be understated, the resulting figures reasonably represent the total expense including a fair share of overhead expense that will be involved in performing this transportation.

California Trucking Association and the Commission staff cross-examined applicant's witness. They do not oppose the granting of the authority sought. We find that the proposed rates are reasonable and conclude that the authority should be granted. The transportation involves only a single job that is expected to be completed within one year. The authority will be scheduled to expire after 15 months.

O R D E R

IT IS ORDERED that:

1. Progressive Transportation Company is authorized to transport fabricated steel for Kaiser Steel Corporation from the latter's plant at Etiwanda Junction to the Atlantic-Richfield Plaza

Project at Los Angeles at rates less than the minimum rates established for such transportation but not less than 15 cents per 100 pounds subject to a truckload minimum weight of 40,000 pounds, and 14 cents per 100 pounds subject to a truckload minimum weight of 50,000 pounds.

2. The foregoing authority is subject to the conditions that free loading time and unloading time is restricted to one hour each, and that in all other respects the applicable rates and rules provided in the applicable minimum rate tariff shall be observed.

3. The authority herein granted shall expire with November 30, 1970 unless sooner canceled, modified or extended.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 26th day of AUGUST, 1969.

William Lyons, Jr.
President

Assistant

Steve B. Moussey

Commissioners