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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 and highway carriers relating to the transportation of sand, rock, gravel and related items (commodities for which) rates are provided in Minimum Rate Tariff 17).

Case No. 5437
Petition for Modification
No. 184
(Filed May 21, 1969)

## OPINION AND ORDER

By this petition, Pacific Western Industries, Inc., C.Z.S. Corporation, doing business as Canyon Rock, Sand and Gravel Company, and P. W. Gillibrand Company seek certain modifications in Minimum Rate Tariff 17 (MRT 17). Soid tariff names rates for the transportation of rock, sand and gravel in dump truck equipment from defined production areas to designated delivery zones. Petitioners operate plants in Production Areas 56-P, 56-O and 56-N, respectively, in the vicinity of Santa Susana in the Simi Valley, Ventura County. Minimum rates were initially established in MRT 17 from said production areas to delivery zones in Los Angeles County by Decision No. 71469, dated October 25, 1966.

The petition points out that said rates were predicated on costs reflected by movement over the old Santa Susana Pass Road from Simi Valley to western Los Angeles County points. Since the opening of the new Simi Freeway, however, trucks of carriers engaged in the transportation in question have been using the latter route, and as a consequence, it is asserted, transit time

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between said points has been substantially reduced. In view of these changed conditions, petitioners allege, the current rates for the movements in question have been rendered unrealistic and discriminatory.

Petitioners seek revision of minimum rates in MRT 17 for the above-described transportation to reflect current operating conditions. Attached to the petition is a report of actual round-trip traverse times, for typical equipment, using the new freeway route, as developed by petitioners. These data are tendered for use in the development of revised cost figures on the basis of which revised minimum rates for the subject hauls are proposed to be determined.

The Commission's Transportation Division staff has verified the traverse data submitted by petitioners, has developed the necessary new entry segments and has indicated existing segments to be deleted. Predicated on these data revised cost figures have been calculated and the resulting revision of rates made in accordance with the established formulas. In addition to revision in the cost data and minimum rates from Production Areas 56-P, 56-O and 56-N, the staff has also included in its study costs and rates from Ventura County Production Area 56-Q and Los Angeles County Production Area 19-A. These five areas are the only production areas affected by the opening of the Simi Freeway segment involved herein. The results of the staff study have been set forth in a report, and an amendment thereto, which are hereby received as Exhibits Nos. 184-1 and 184-2.

Copies of the verified petition were served on interested parties on or about May 20, 1969. The petition was listed in the Commission's Daily Calendar of May 23, 1969. No objection to the requested ex parte handling of the matter has been received.

We find that:

1. The changes in network segments and related traverse time and distance factors recommended by the Commission's staff in Exhibit No. 184-1 should be reflected in the zone rates prescribed in Minimum Rate Tariff 17.

2. The zone rates resulting from the adoption of petitioner's proposal, as amplified by the staff study, will be just, reasonable and nondiscriminatory minimum rates for the transportation of rock, sand and gravel, in dump truck equipment, from and to the involved points.

By Decision No. 76575, issued this day in Petition for Modification No. 183, in Case No. 5437, the zone rates for the transportation of rock, sand and gravel as set forth in MRT 17 generally are being increased to offset increases in carrier operating costs. Said increases are being made in the rates here in issue, among others.

We further find that:

2. In order to avoid unnecessary expense in tariff publication, the revision in rates found justified herein by reason of the opening of the Simi Freeway should be accomplished with, and as a part of, the rate adjustment being made pursuant to said Petition No. 183 by said Decision No. 76575, reflecting a single set of tariff pages.

We conclude that Petition for Modification No. 184 should be granted. A public hearing is not necessary. Minimum Rate Tariff 17 should be amended in accordance with the above-stated findings.

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## IT IS ORDERED that:

- 1. Minimum Rate Tariff 17 (Appendix B of Decision No. 69469, as amended) is further amended by incorporating therein, to become effective January 31, 1970, those revised pages attached to Decision No. 76575 which are listed in Appendix A, attached hereto, which appendix is made a part hereof.
- 2. In all other respects said Decision No. 69469, as amended, shall remain in full force and effect.

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

|     |    | Dated at | San Francisco | California, | this   | 232 |
|-----|----|----------|---------------|-------------|--------|-----|
| day | of | DECEMBER | , 1969.       |             | $\sim$ |     |

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APPENDIX A TO DECISION NO. 76576

LIST OF REVISED PAGES TO MINIMUM RATE TARIFF 17

AUTHORIZED BY SAID DECISION

SIXTH REVISED PAGE 4-A-2

FOURTH REVISED PAGE 10-N

FOURTH REVISED PAGE 10-0

FOURTH REVISED PAGE 10-P

SECOND REVISED PAGE 10-Q

(END OF APPENDIX A LIST)