

ORIGINAL

77873

Decision No. \_\_\_\_\_

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. 202

(Filed July 28, 1970)

OPINION AND ORDER

By this petition, the California Dump Truck Owners Association (CDTOA) asks that the Commission prescribe, by ex parte order, increases of 19 cents per hour in the hourly rates which are set forth in Items 360 and 367 of Minimum Rate Tariff 7 (MRT 7) for transportation by dump truck equipment within Upper Northern District of Northern Territory.<sup>1/</sup>

The hourly rates are predicated upon dump truck driver wage and allied costs specified in labor contracts between the Teamsters, on the one hand, and the Associated General Contractors and other employer organizations, on the other hand. The current contracts are for three-year periods. Copies of the current

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<sup>1/</sup> MRT 7 defines Northern Territory as those California counties other than Santa Barbara, Ventura, Los Angeles, Orange, San Diego, Imperial, Riverside, San Bernardino, Inyo and Mono Counties. Upper Northern District consists of all of the counties which comprise Northern Territory with the exception of Kern and San Luis Obispo Counties.

contracts have been submitted to the Commission heretofore in connection with Petition No. 165 in Case No. 5437.

Among other things, the contracts provide for increases in fringe benefits for drivers of dump truck equipment in Upper Northern District as of November 1, 1970. Such fringe benefit increases are as follows:

	<u>Increase in Hourly Rate</u>
For Hospital, Medical and Surgical	3 cents
For Vacation	10 "
For Dental Care	<u>5 "</u>
Total	18 cents

The most recent adjustment of the hourly rates in Items 360 and 367 of MRT 7 was made to reflect increases in dump truck drivers' wage rates which became effective June 1, 1970, (Decision No. 77024, dated March 31, 1970, Case No. 5437). Hence, the rates do not include provision for the cost increases as of November 1, 1970.

The rate increases which the CDTOA here seeks are intended to compensate for the increases in fringe benefit costs. They also contain provision for a profit factor of about 7 percent, an amount which the Commission has used heretofore in the development of rates in MRT 7.<sup>2/</sup>

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<sup>2/</sup> According to the petition, the provision for profit amounts to 1/26 cents per hour. However, in a subsequent communication (made a part of the record herein as Schedule A), the CDTOA states that the correct amount is 1.26 cents per hour.

The CDTOA states that it does not know of, nor does it anticipate, any cost decreases in connection with the services subject to the rates involved herein. It further states that the requested rate increases are a noncontroversial matter.

The certificate of service attached to the petition shows that a copy of the petition was served upon various carrier and shipper organizations and individual shippers. The petition was also listed on the Commission's Daily Calendar of July 29, 1970. No objections to the granting of the petition by ex parte order have been received.

The CDTOA asks that early decision on its petition be made in order to afford carriers and shippers adequate advance knowledge of the rates to be applied in future quotations and bids.

The Commission finds that:

1. Effective November 1, 1970, for-hire carriers, subject to the rates in Items 360 and 367 of MRT 7 for Upper Northern District, will experience increases in their labor costs covering fringe benefits.
2. No provision for the cost increases is contained in said rates.
3. Petitioner's sought increases in said rates have been shown to be justified.
4. Adjustment of the rates as advocated by petitioner in this matter will result in just, reasonable, and nondiscriminatory minimum rates for the dump truck transportation services governed thereby.

The Commission concludes that Petition for Modification No. 202 should be granted, and that Minimum Rate Tariff No. 7 should be amended in accordance with the findings herein, subject to an effective date of November 15, 1970. A public hearing on the petition is not necessary. ✓

IT IS ORDERED that:

1. Minimum Rate Tariff No. 7 (Appendix A of Decision No. 32566, as amended) is hereby further amended by incorporating therein, to become effective November 15, 1970, the attached revised pages identified as Thirtieth Revised Page 42 and Seventh Revised Page 42-E, which pages are made a part hereof by this reference.

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 November 1, 1970.

Dated at San Francisco, California,  
this 27<sup>th</sup> day of OCTOBER, 1970.

Augustus Chairman  
William L. Sturgeon Commissioners

L. Abram  
William L. Sturgeon  
G. Nauman

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

SECTION 4--HOURLY RATES (Continued)							ITEM
COMMODITIES, as described in Item 320 (Items 360 and 361) (For Application of Rates see Item 362)							
Number of Axles Per Unit of Equipment	NORTHERN TERRITORY (See Item 110) (1) Rates in Cents per Hour (See Item 300)						0360
	Upper Northern District (See Item 315)						
	Column A			Column C			
	M	O	P	M	O	P	
2	1369	1993	1680	1306	1930	1617	
3	1499	2151	1824	1423	2076	1749	
4	1624	2260	1942	1524	2160	1842	
5(2)	1746	2405	2075	1633	2292	1962	
5 or more (3)	1799	2458	2128	1677	2336	2006	
(1) Minimum charge shall be the rate for one hour. (2) Applies to units of equipment not meeting with the legal requirements for the maximum allowed load. (3) Applies to units of equipment meeting with the legal requirements for the maximum allowed load.  (Continued in Item 361)							
♦ Increase, Decision No. <b>77873</b>							
EFFECTIVE							
Correction 1342			ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.				

MINIMUM RATE TARIFF 7

SECTION 4--HOURLY RATES (Continued)									ITEM
COMMODITIES, as described in Item 321 (For Application of Rates see Item 368)									
(1) Rates in Cents per Hour (See Item 300)									
Level Capacity of Dump Truck Body in Cubic Yards (See Note 1 in Item 368)-		NORTHERN TERRITORY (See Item 110)						SOUTHERN TERRITORY (See Item 100) (See Note 2 in Item 368)	
		Upper Northern District (See Item 315)			Lower Northern District (See Item 315)				
Over	But Not Over	OM	OO	OP	M	O	P		
0	6	1238	1834	1535	1173	1705	1438	1104	
6	7	1310	1927	1617	1224	1756	1489	1147	
7	8	1353	1970	1660	1272	1804	1537	1196	
8	9	1429	2071	1749	1323	1860	1591	1239	
9	10	1473	2115	1793	1367	1904	1635	1277	
10	11	1514	2156	1834	1408	1945	1676	1315	
11	12	1553	2195	1873	1447	1984	1715	1363	
12	13	1593	2239	1916	1490	2035	1762	1406	
13	14	1624	2270	1947	1521	2066	1793	1433	
14	15	1653	2299	1976	1548	2093	1820	1460	
15	16	1679	2325	2002	1576	2112	1848	1498	
16	17	1716	2375	2045	1622	2189	1905	1525	
17	18	1746	2405	2075	1652	2219	1935	1552	
18	19	1765	2424	2094	1671	2238	1954	1579	
19	20	1782	2441	2111	1686	2255	1971	1606	
20	21	1799	2458	2128	1703	2272	1988	1633	
21	22	1816	2475	2145	1720	2289	2005	1660	
22	23	1833	2492	2162	1737	2306	2022	1687	
23	24	1850	2509	2183	1754	2323	2039	1714	
24	25	1867	2526	2196	1771	2340	2056	1741	
25	26	1884	2543	2213	1811	2403	2108	1791	
26	(2)	o 17	o 17	o 17	17	17	17	27	

6367

- (1) Minimum charge shall be the rate for one hour.
- (2) Add to the rate for 26 cubic yard capacity, the amount shown opposite this reference mark for each additional cubic yard or fraction thereof.

o Change  
 ◊ Increase, except as noted  
 o No change

} Decision No.

77873

EFFECTIVE

Correction 1343

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,  
 SAN FRANCISCO, CALIFORNIA