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ORIGINAL

Decision No. 79172

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of ROAP TRANSPORT, INC., for)
authorization to deviate from)
minimum rates for the transpor-)
tation of steel, etc., between)
Oakland, et al, and Redding.)

Application No. 52507
(Filed March 18, 1971)

Gaylen A. Jesmer, for applicant.
John P. Hellman, and J. C. Kaspar, for
California Trucking Association;
Robert S. Bryant, for Redding Steel
and Supply, interested parties.
B. I. Shoda, for the Commission staff.

O P I N I O N

Applicant operates as a radial highway common carrier. By this application it seeks to charge a rate less than the minimum on shipments of steel (in flat sheets, flat corrugated and sheet coil) from Oakland, Pinole and Pittsburg to the plant of Redding Steel and Supply just south of Redding, California.

Public hearing on the application was held August 19, 1971, at Redding before Examiner Turpen. Applicant's president presented evidence, as well as one of the partners of Redding Steel and Supply.

The representatives of the California Trucking Association and of the Commission staff assisted in developing the record.

Applicant hauls 3 to 5 shipments of steel from the bay area points to Redding each week. The consignee is located shortly south of the city limits of Redding and its competitors enjoy the use of a rail rate that is limited to consignees located within the

city limits of Redding. The applicable minimum rate for applicant is 71 cents per 100 pounds from Pittsburg and Pinole, and 74 cents from Oakland, for 36,000 pounds minimum. Applicant seeks to apply the rail rate applicable to Redding of 56 cents per 100 pounds, minimum weight 40,000 pounds. It was developed at the hearing that this rail rate has been increased by recent Commission decisions to 60 cents per 100 pounds. Applicant amended his application accordingly.

Although applicant's cost study is somewhat deficient, it shows out-of-pocket costs as \$139.72 per trip. Revenue for the average shipment of 48,000 pounds at 60 cents per 100 pounds would be \$288.00. The indicated margin between revenue and out-of-pocket costs is wide enough to establish satisfactorily that applicant can perform the transportation involved on a compensatory basis at the rate requested, as amended at the hearing.

The Commission finds the sought rate is reasonable. It is concluded that the application should be granted, to expire after one year as conditions may change.

O R D E R

IT IS ORDERED that:

1. Roap Transport, Inc., is authorized to charge less than the minimum rates for the transportation of steel (galvanized culvert stock) in flat sheet, flat corrugated, and sheet coil, from Oakland, Pinole or Pittsburg to Redding Steel and Supply, near Redding, California, at a rate of 60 cents per 100 pounds, minimum weight of 40,000 pounds.

2. The authority hereinabove granted shall expire one year after the effective date of the order herein.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 28th day of SEPTEMBER, 1971.

William S. ... Chairman
Vernon L. Sturgeon
... Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.