

ORIGINAL

Decision No. 79285

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 WEST COAST WAREHOUSE CORPORATION, a
 California corporation, for author-
 ity to deviate from minimum rates
 pursuant to Section 3666, of the
 Public Utilities Code, for specified
 shipper.

Application No. 52579
 (Filed April 21, 1971;
 Amended May 28, 1971)

Carl H. Fritze, Attorney at Law, for West Coast
 Warehouse Corporation, applicant.
George C. Blake, for George C. Blake Trucking;
R. S. Wilson (by Judson Stone), for South
 West Salt Co.; and Frank A. Riehle, Jr.,
 Attorney at Law, for Pacific Salt & Chemical
 Co.; protestants.
R. W. Smith and Arlo D. Poe, Attorneys at Law,
 and H. F. Kollmyer, for California Trucking
 Association; D. Livengood, for West Coast
 Salt & Milling Co.; John S. Latham, for
 Trona Railway Company; and Donald R. Swortwood,
 for Western Salt Co.; interested parties.
George L. Hunt, John deBrauwere and Ronald I.
Hollis, for the Commission staff.

O P I N I O N

Applicant, West Coast Warehouse Corporation, seeks author-
 ity as a radial highway common carrier to transport sodium chloride,
 in bulk, for Ocean Salt Company from Long Beach to various destina-
 tions in Los Angeles and Orange Counties under rates and charges
 which are different than those which apply as minimum for said trans-
 portation pursuant to Minimum Rate Tariff 2 (MRT 2).

By ex parte order in Decision No. 78649, dated May 4, 1971,
 and effective the same day, the sought authority was granted on an
 interim basis, to expire in six months. A public hearing on the
 application was ordered to permit further disposition thereof.

Decision No. 78649 authorized applicant to perform the transportation involved under hourly rates. In effect the decision authorized applicant to continue charging rates which had been applicable as minimum rates pursuant to Minimum Rate Tariff 5 (MRT 5) but which had been canceled when said tariff itself was canceled on April 24, 1971, and various of the provisions thereof were incorporated in MRT 2 (Decision No. 78472, dated March 23, 1971, in Case No. 6322). The continuation of the hourly rates was authorized upon representations of West Coast Warehouse Corporation that the assessing of the rates and charges in MRT 2 for the transportation involved would result in charges about two to three times greater than those which were applicable under MRT 5; that such charges would be excessive and that they would cause Ocean Salt Company to turn from for-hire carriage to facilities of its own for the performance of said transportation. Applicant also submitted figures to show that under the hourly rates it would realize earnings as indicated by operating ratios ranging from 78 to 82 percent.^{1/}

On May 28, 1971, West Coast Warehouse Corporation amended its application and requested enlargement of its authority to permit the transportation under yearly vehicle rates and charges within a radius of 250 miles from Long Beach.

Public hearing on the application as amended was held before Examiner C. S. Abernathy at Los Angeles on September 23, 1971. At that time West Coast Warehouse Corporation further amended its application to seek continuation of its present authority:

^{1/} The rates which were authorized by Decision No. 78649 and other provisions applicable thereto are set forth in Appendix A hereof. In one respect the rates differ from those in MRT 5. They are subject to a minimum charge equivalent to that for three hours whereas the rates in MRT 5 were subject to a minimum charge of that for one hour.

- (a) For a period of 60 days after the Commission's issuance of decision in Petition 41, Case No. 7783 whereby the California Trucking Association concurrently is seeking reinstatement of hourly rates (in the format previously followed in MRT 5) for the transportation of general commodities within Los Angeles and Orange Counties; or
- (b) Until further order of the Commission to permit consideration of, and decision on, a supplemental amendment to this application to be filed not later than 60 days after decision in said Petition No. 41, Case No. 7783 has been rendered.

Applicant's requests in these respect followed the filing of a written motion by the California Trucking Association that:

- (a) The application not be taken under submission until decision on Petition No. 41, Case No. 7783, and that
- (b) Any relief in this matter be limited to only an interim period pending decision on Petition No. 41.

The motion was denied by the Examiner to the extent that it sought deferral of submission of this matter.

At the hearing applicant presented evidence to support the requested extension of its present rate authority. Included in said evidence were figures to show that applicant is continuing to enjoy the same high level of earnings under the authorized rates which it formerly had reported.

The manager of Ocean Salt Company testified that his company could not afford to pay the rates that would apply to its shipments under the provisions of MRT 2, and would undertake to transport its shipments itself were not relief from such rates granted. He said that for an interim period the currently authorized rates would be acceptable.

Representatives of two other salt companies and of a trucking company appeared in opposition to granting of the yearly vehicle rates which West Coast Warehouse Company had sought by its

filing of May 28, 1971. They stated, however, that they were not opposed to an extension of applicant's present authority as further requested at the hearing.

The representative of the California Trucking Association questioned whether the authorized rates are as profitable as applicant's figures apparently show. He said, nevertheless, that the profitableness of applicant's services under the sought rates is sufficiently established to justify the sought extension.

The Commission finds that:

1. The rates which have been heretofore authorized by Decision No. 78649 for the transportation of sodium chloride, in bulk, which applicant performs for Ocean Salt Company are continuing to be profitable.

2. Unless a continuation of said rates is authorized as sought, the utilization of applicant's services by Ocean Salt Company will be terminated.

The Commission concludes that:

1. The presently authorized rates have been further shown to be reasonable within the meaning of Section 3666 of the Public Utilities Code.

2. The sought extension of the present rate authority should be granted as hereinafter provided.

O R D E R

IT IS ORDERED that:

1. West Coast Warehouse Corporation is authorized to transport sodium chloride, in bulk, in dump truck equipment, for the account of Ocean Salt Company at rates and charges less than the established minimum rates and charges otherwise applicable but not less than those set forth in and subject to the conditions specified in Appendix A, attached hereto and by this reference made a part hereof.

2. The authority granted herein shall expire 60 days after the effective date of decision in Petition No. 41, Case No. 7783, unless West Coast Warehouse Corporation, prior to the termination of said 60-day period, files application for further authority to deviate from the minimum rates applicable to the transportation of sodium chloride which it performs for Ocean Salt Company. In the latter event the authority herein granted shall continue in effect until terminated or changed by further order of the Commission.

The effective date of this order shall be November 4, 1971.

Dated at San Francisco, California, this 27th
day of OCTOBER, 1971.



Chairman






Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
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Authorized Rates and Charges and
Conditions Applicable Thereto

Carrier: WEST COAST WAREHOUSE CORPORATION

Shipper: Ocean Salt Company, 1250 Panorama Drive, Long Beach,
California, 90802

Commodity: Sodium Chloride, in bulk, in dump trucks.*

Rates and Territory:

Sodium Chloride, in bulk in dump trucks, transported between or within Los Angeles and Orange Counties, subject to Notes 1, 2, 3, 4 and 5:

<u>Weight in Pounds</u>	<u>Rates in Cents per Hour</u>
0 to 20,000 pounds	1639
Over 20,000 but not over 30,000 pounds	1720
Over 30,000 pounds	1887

Note (1) Subject to a minimum charge of three (3) hours for each load.

Note (2) Weight in pounds is the greatest (heaviest) gross weight of property transported by the unit of carrier's equipment at one time during a single transaction.

Note (3) (a) The total of the loading, unloading and driving time computed from the arrival of carrier's equipment at point of origin or first point of origin when more than one point of origin is involved, to the time unloading is completed at point of destination, or last point of destination when more than one point of destination is involved, subject to paragraph (b) hereof, shall be used to compute charges.

(b) In computing time under the basis outlined in paragraph (a) hereof the various time factors shall be not less than the actual time involved in minutes. After the total time has been determined under the provision of paragraph (a) hereof, it shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the following table:

Less than 8 minutes	-----omit
8 minutes or more but less than 23 minutes	shall be 1/4 hour
23 minutes or more but less than 38 minutes	shall be 1/2 hour
38 minutes or more but less than 53 minutes	shall be 3/4 hour
53 minutes or more	shall be 1 hour

*Includes transportation in hydraulic truck unit equipped with side boards, and dumps by means of a hydraulic hoist which is an integral part of the unit.

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Note (4) Between the hours of 6:00 p.m. and 7:00 a.m., and on Saturdays, Sundays and the holidays of New Years Day, Washington's Birthday, Memorial Day, July 4, Labor Day, the Day after Thanksgiving, December 24, and Christmas Day, an additional charge at the rate of \$4.00 per hour (or fraction thereof) shall be assessed.

Note (5) Rates named herein are subject to an additional charge at the rate of \$8.00 per man-hour, minimum charge \$4.00, when carrier furnishes help in addition to the driver. The time for computing the additional charge shall be not less than the actual time in minutes the helper or helpers are engaged in performing the services. The total time so computed shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the table provided by Note 3(b).

Prior to the transportation of the property, OCEAN SALT COMPANY must enter into a written agreement with WEST COAST WAREHOUSE CORPORATION to ship at rates no lower than those provided herein, stating specifically the class of service desired. No single agreement shall cover shipments transported over a period in excess of 31 days.

The agreement shall be in substantially the following form, and the original or a copy thereof shall be retained and preserved by the carrier, subject to the Commission's inspection, for a period of not less than three (3) years from the date of its issuance.

In accordance with these provisions, I hereby elect to have Sodium Chloride transported by WEST COAST WAREHOUSE CORPORATION from Long Beach, California, to points in Los Angeles and Orange Counties, California, at the rates and charges set forth in Decision No. _____ of the Public Utilities Commission of California.

Shipper: OCEAN SALT COMPANY By _____
Confirmed:
WEST COAST WAREHOUSE CORPORATION By _____