

ORIGINAL

Decision No. 79955

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own  
 motion into the operations, rates and  
 practices of TED LEWIS individually  
 and doing business as LEWIS TRUCKING  
 CO., NORTHERN CEMENT TRANSPORTATION,  
 INC., a California corporation,  
 JOHN D. SANTOS, ARNOLD DOROTHY,  
 LEO SPARKS, BARRY R. NORBACK, indi-  
 vidualy and doing business as  
 CHICHICASTANANGO TRUCKING, and  
 PETER J. SIINO, individually and  
 doing business as PETE'S TRUCKING.

Case No. 9207  
 (Filed April 2, 1971)

Robert C. Marks, Attorney at Law, for Ted Lewis,  
 dba Lewis Trucking Co.; Northern Cement  
 Transportation, Inc.; John D. Santos; Arnold  
 Dorothy; Barry Norback, dba Chichicastanango  
 Trucking; and Peter J. Siino, dba Pete's  
 Trucking, respondents.

Elmer Sjoström, Attorney at Law, and E. E. Cahoon,  
 for the Commission staff.

O P I N I O N

On April 2, 1971 the Commission instituted an investigation on its own motion against Ted Lewis, dba Lewis Trucking Co. (Lewis), Northern Cement Transportation, Inc. (Northern), John D. Santos (Santos), Arnold Dorothy (Dorothy), Leo Sparks (Sparks), Barry R. Norback, individually and doing business as Chichicastanango Trucking (Norback), and Peter J. Siino, individually and doing business as Pete's Trucking (Siino). Lewis was charged with violating Section 453 of the Public Utilities Code and Items 163 and 165 of Minimum Rate Tariff 10 (MRT 10) which were made applicable to common carriers by Decision No. 44633, as amended by Decision No. 69557, by paying to carriers utilized by it amounts different than the applicable rates

and charges prescribed in Western Motor Tariff Bureau's Tariff No. 17, (WMTB Tariff 17) duly published and filed with the Commission. The remaining respondents were charged with violating the Public Utilities Code by charging and collecting from Lewis rates and charges different than the rates and charges prescribed by above said tariff and MRT 10. All respondents were charged with violating the Public Utilities Code by the use of a lease device or arrangement which permitted a person or corporation to obtain transportation of property over the public highways of this State at rates and charges less than, or different from, the applicable rates and charges prescribed in WMTB Tariff 17 and MRT 10.

Additional charges concerned whether Lewis had violated General Order No. 102-C and Section 1074 of the Public Utilities Code by failing to have the required subhaul or equipment lease bond, whether Lewis had violated Section 1063 of the Public Utilities Code by operating as a cement carrier without having first obtained from the Commission a certificate authorizing such operation, and whether the remaining respondents had violated Sections 1063 or 3621 of the Public Utilities Code by operating as a cement carrier or as a cement contract carrier without having first obtained from the Commission a certificate or permit authorizing such operation. Public hearings were held on November 2, 3, 4 and 5, 1971 before Examiner O'Leary at San Francisco. The matter was submitted subject to the filing of concurrent briefs which have been filed.

This investigation concerns the transportation of cement during the months of May, June and July 1970.

At the time, the transportation which is the subject of this investigation, Lewis was authorized to transport cement pursuant to certificates of public convenience and necessity authorizing operations as a cement carrier issued by Decision No. 74001 dated April 16, 1968 in Application No. 50013 and Decision No. 75930 dated July 15, 1969 in Application No. 51098. Neither certificate authorized operations to Siskiyou County. The certificates were

transferred to Northern pursuant to Decision No. 78044 dated December 8, 1970 in Application No. 52233. Ordering paragraph 2 of Decision No. 78044 reads as follows:

"By accepting the certificate herein granted, the transferee shall assume any and all obligations of the transferor which may result from the Commission's action taken in connection with Ted Lewis, an individual, doing business as Ted Lewis Trucking."

None of the other respondents held authority to transport cement except Santos who was authorized to transport cement pursuant to a cement contract carrier permit which authorized transportation to and within Contra Costa County. Approximately half of the transportation performed by Santos in the instant investigation was not authorized by said cement contract carrier permit.

The staff presented evidence which shows that Lewis entered into separate written lease agreements with Santos, Dorothy, Norback and Siino whereby Santos, Dorothy, Norback and Siino (lessors) leased their tractors to Lewis (lessee) for a certain percentage of the gross revenue earned by the leased tractors. The lease with Dorothy executed July 1, 1969 provided that Dorothy was to receive 25 percent of the gross revenue earned. The lease with Norback executed March 15, 1970 provided that Norback was to receive 31 percent of the gross revenue earned. The lease with Santos executed August 1, 1969 provided that Santos was to receive 31 percent of the gross revenue earned. The lease with Siino executed August 1, 1968 provided that Siino was to receive 23 percent of the gross revenue earned. The leases were for a period of one year. The transportation representative who testified for the Commission staff testified that the lessors advised him that the leases were in effect at the time the transportation which is the subject of the instant investigation took place.

All of the leases provided that lessors were to maintain the equipment, provide public liability property damage and collision insurance. The leases also provided that lessee was to furnish the drivers.

There was no lease between Lewis and Sparks. Lewis entered into an oral agreement which provided for the purchase of two tractors by Sparks from Lewis. Sparks was to pay for the tractors by having payments for them deducted from the earnings of said equipment in transportation performed for Lewis.

During the months of May, June and July 1970 Lewis utilized the leased tractors and the tractors which were the subject of the agreement between Sparks and Lewis to transport cement in trailers which belonged to Lewis.

With respect to respondents Dorothy, Norback, Siino and Santos, the evidence discloses that the lessor respondents were not paid the amounts set forth in the leases. Exhibit 1 contains copies of the leases, shipping documents and remittance advice and subhaul statements. The latter documents were used by Lewis to compute the earnings due the various lessors. Said documents set forth the gross earnings of each of the lessors less various deductions. One of the deductions set forth on the documents is for "trailer rental". The percentage of trailer rental set forth on the documents for Dorothy is 25 percent; for Norback, Santos and Siino the amount is 27 percent. Other deductions listed were for such things as fuel, shop expense, payroll, parking and hospital insurance. Respondent Dorothy's statements also showed a deduction of 4 percent for insurance. The testimony discloses Dorothy was a named insured on Lewis' public liability property damage and collision insurance policy and the deduction was Dorothy's share of the premiums. Santos was also a named insured on Lewis' policy; however, a separate deduction for his share of the premiums (4 percent of the gross revenue) was not made as such payment was included in the 27 percent trailer rent deduction. Although the

record is silent as to whether or not Norback and Siino were named insureds on Lewis' policy, we will deduce such to be the case since such deduction is more favorable to respondents than if we deduced they were not. The rate expert who testified for the Commission staff assumed that they were and that their share of the premiums (4 percent of gross revenue) was included in the 27 percent trailer rent deduction.

With respect to respondent Sparks the evidence discloses that the basis of his compensation was gross earnings of the equipment he was purchasing from Lewis less various deductions, which included, among other things, payments for the equipment Sparks was purchasing a 25 percent trailer rental deduction and a 4 percent insurance deduction.

The evidence discloses that on December 3, 1969 Lewis purchased a used 1966 Peterbilt tractor from Bay Area Kenworth Co. for a total price of \$14,995.20 including finance charge. Said amount was to be paid in 32 monthly installments of \$468.60. On April 28, 1970 Lewis entered into a "Motor Vehicle and Equipment Rental Agreement" with Chase Leasing Company. Said agreement covered a 1968 Kenworth tractor. The testimony discloses that these are the two pieces of equipment that were the subject of the oral agreement between Lewis and Sparks.

Other staff evidence may be summarized as follows: Lewis did not have a subhaul or equipment lease bond as required by General Order No. 102-C and Section 1074 of the Public Utilities Code during the period of time the transportation took place. The destination of certain shipments was in Siskiyou County.

A staff rate expert testified that if the cement movements were treated as subhauls the tariffs applicable to those moves required the prime carrier assess no more than 9 percent of gross revenue earned for trailer rental. Exhibit 7 which was sponsored by the staff rate expert sets forth the difference between the trailer

rentals and the 9 percent trailer rental authorized by MRT 10. The difference between the trailer rentals assessed and the authorized trailer rentals are: Dorothy - \$58.93, Norback - \$628.85, Santos - \$817.71, Siino - \$307.03 and Sparks - \$1,145.42. In computing the differences for Norback, Santos and Siino, the staff rate expert made allowance for the 4 percent insurance premium charge mentioned heretofore.

Respondents Lewis, Dorothy, Norback, Santos and Siino contend that the staffs position is based solely on the fact that the remittance advices and subhaul statements contained in Exhibit 1 show a deduction for trailer rent. Mr. Lewis testified that he used these forms merely as a convenience because he had an abundant supply to use up.

Respondents Lewis, Dorothy, Norback, Santos and Siino testified that the intent of the parties was that a mutual agreed upon percentage would be deducted from the gross revenues of the tractor to be retained by the lessee (Lewis) and that the lessor would receive the balance less other specified deductions.

Respondent Lewis also testified that during May of 1968 he was informed by representatives of the Commission staff that leases then in effect did not comply with the rules and regulations of the Public Utilities Commission. He then employed a transportation consultant to revise the leases so that they would conform to the standards of the Commission. The transportation consultant employed by Lewis testified that he prepared new proposed leases and submitted them to one of the representatives who previously had conferred with Lewis. He further testified that the representative informed him that the leases met with his approval and conformed to Commission requirements.

In April of 1970 a representative of the Commission staff again contacted Lewis and furnished him with copies of the J & H Transportation Co., et al. (J&H) and Federal Cement Transportation Inc., et al. (Federal Cement) Decisions Nos. 76737 and 76621,

respectively. The representative informed Lewis that he should take immediate steps to have his lease arrangements conform to said decisions. The representative also informed Lewis that the Commission had issued a decision which established General Order No. 130 concerning leasing practices. The representative advised Lewis that he should also be guided by the provisions of said general order. Lewis testified that he did not think the J&H and Federal Cement decisions applied to him because he interpreted them as dealing with trip leases which were not the type of leases that he had.

Respondents Lewis, Dorothy, Norback, Santos and Siino further contend that since the transportation involved in the instant proceeding took place prior to the effective date of General Order No. 130 (January 1, 1971) it should not be applied to the instant proceeding.

With respect to the arrangement between Lewis and Sparks, respondent Lewis contends that the record is devoid of any evidence to establish that Sparks was anything more than an employee of Lewis and that he had an arrangement whereby he would acquire title to the equipment at some future time when said equipment had paid for itself. Respondent Lewis further contends that since Mr. Sparks has terminated his employ with Lewis and has not claimed nor demanded any interest in and to said piece of equipment which substantiates his position that Lewis was the owner of the tractor and Sparks was an employee and not a subhauler.

Respondents did not offer any evidence to refute the staff's evidence with respect to Lewis' failure to have a subhaul or equipment lease bond as required by General Order No. 102-C and Section 1074 of the Public Utilities Code or the evidence regarding the fact that respondents Dorothy, Siino, Santos, Norback and Sparks did not have operating authority to perform the transportation involved herein. Respondent Lewis did not present any evidence to refute the staff's evidence with respect to shipments transported to Siskiyou County without proper operating authority.

The two basic issues which must be decided are: 1. Were Dorothy, Santos, Siino, Norback and Sparks underlying carriers (subhaulers) or employees of Lewis? 2. Whether or not Dorothy, Santos, Siino and Norback rented trailers from Lewis as contended by the staff or whether Lewis leased tractors from Dorothy, Santos, Siino and Norback as contended by respondents.

We are convinced that respondents Dorothy, Santos, Siino and Norback were subhaulers and not employees of Lewis for the following reason: Although the leases provided that lessee (Lewis) would procure and hire all drivers and although the lessors were carried on Lewis' payroll as drivers, the evidence shows that the "wages" paid to the lessors were deducted from the amount paid for the use of the equipment. Said deduction not only included the wages previously paid but also included the employer's portion of social security taxes, unemployment and workmen's compensation insurance premiums. We are also convinced that respondent Sparks was a subhauler and not an employee of Lewis for the following reasons:

1. The amount of earnings payable to Sparks was based upon the gross earnings of the equipment Sparks was purchasing from Lewis.
2. The deductions from Sparks' earnings included expenses for fuel, shop expense and truck license.
3. Sparks was not carried on Lewis' payroll.
4. The normal employee deductions such as federal income tax, social security taxes, workmen's compensation and unemployment insurance premiums were not withheld from Sparks' earnings.
5. Sparks was furnished with remittance advices and subhauling statements.
6. The vouchers accompanying Sparks' checks were labeled "Subhauling".

We now turn to the question of whether there was a lease of tractors to Lewis by Dorothy, Santos, Siino and Norback or whether Dorothy, Santos, Siino and Norback rented trailers from Lewis. The leases of the tractors provided for a rental figure of between 23 percent and 31 percent of the gross revenue earned by the leased tractors. The leases also provided that the drivers would be



employees of the lessee. Payments to the lessors did not coincide with the amounts set forth in the lease. Although the drivers (lessors) were carried on lessee's payroll the gross wages paid plus the employers share of social security taxes, unemployment and workmen's compensation insurance premiums were withheld from the amount of earnings of the equipment. The "subhaul statements and remittance advices" sent to the lessors contained a deduction entitled trailer rental. The above facts lead us to the conclusion that the leases in question were not followed in practice and respondents Dorothy, Santos, Siino and Norback rented trailers from Lewis rather than leasing their tractors to Lewis.

Item 163 of Minimum Rate Tariff 10 provides:

"Charges paid by any overlying carrier to an underlying carrier and collected by the latter from the former for services of said underlying carrier shall be 100 percent of the charges applicable under minimum rates prescribed in this tariff, less the gross revenue taxes applicable and required to be paid by the overlying carrier. (Subject to Notes 1 and 2 below.)

"Note 1--As used in this item, the term 'gross revenue taxes' means the California transportation taxes payable to the California Board of Equalization and the tax payable to the California Public Utilities Commission under the Transportation Rate Fund Act.

"Note 2--Nothing herein contained shall prevent an overlying carrier in paying such charges in deducting therefrom such legitimate liquidated amounts as may be due from the underlying carrier to the overlying carrier (except amounts for bookkeeping, administration or sales services provided by the overlying carrier in connection with the transportation involved), providing such deductions have been authorized in writing by the underlying carrier. Any overlying carrier electing to employ this procedure shall itemize such amounts and maintain for the Commission's inspection all documents involved in the transaction. Upon demand by the Commission, the overlying carrier shall substantiate that there has been full, fair and adequate consideration for each item so deducted."

Item 165 of Minimum Rate Tariff 10 provides:

- "1. No lease of trailer equipment shall provide for the payment of rental in excess of 9 percent of the charges applicable under minimum rates prescribed in this tariff to the transportation performed in said trailer equipment, except in special cases upon application by a carrier to the Commission and a showing by the carrier and a finding by the Commission that such higher rental is reasonable. Authorization to charge rental higher than 9 percent must be secured from the Commission before the parties enter into a lease arrangement.
- "As used in this item, the term 'trailer equipment' includes a semitrailer, full trailer or any combination thereof which lawfully may be pulled over public highways of the State of California by one power unit.
- "2. Each freight bill or other shipping document issued by the carrier with respect to transportation performed in whole or in part by leased trailer equipment shall identify thereon the leased trailer equipment so utilized. In addition, the carrier shall maintain for the Commission's inspection records reflecting all payments made to lessors of trailer equipment including substantiating documents therefor.
- "3. No lease of trailer equipment shall be for a term of less than thirty (30) days.
- "4. No carrier shall lease any power equipment, or combination of power and trailer equipment, for a period of less than thirty (30) days.
- "5. No power or combination of power and trailer equipment shall be leased on the basis of percentage of gross revenue applicable to transportation provided by such leased equipment and all persons engaged in operating such motor vehicle equipment for the carrier shall be employees of the carrier.
- "6. Every carrier leasing equipment as provided in paragraphs 3 and 4 hereof shall retain and preserve for the Commission's inspection an executed copy of each such equipment lease for a period of not less than three years from the date of execution of the document. A true copy of each such equipment lease shall also be carried with the leased equipment at all times during the term of the lease."

MRT 10 (previously entitled City Carriers Tariff 8 - Highway Carriers Tariff 10) was established and approved effective September 15, 1950 by Decision No. 44633 dated August 8, 1950 in Case No. 4808. Ordering paragraph 6 of said decision required all common carriers defined in the Public Utilities Act to establish rates, charges, rules and regulations no lower in volume or effect than those found reasonable or sufficient or justified by Findings Nos. 6, 7 and 8 in said decision. Finding 6 of said decision found that existing ratings, rates, charges, rules, regulations and accessorial charges insofar as they are lower in effect than those set forth in the tariff designated as Appendix A (City Carriers Tariff 8 - Highway Carriers Tariff 10) will for the future be unreasonable, insufficient and not justified.

Items 163 and 165 were added to MRT 10 by Decision No. 69557 dated August 17, 1965. Ordering paragraph 2 of said decision provided:

"Tariff publications required to be made by common carriers as a result of the order herein may be made effective not earlier than the tenth day after the effective date of this order on not less than ten days' notice to the Commission and to the public and shall be made effective not later than October 9, 1965."

Lewis is a common carrier and is a party to WMTB Tariff 17. Said tariff does not contain provisions similar to Items 163 and 165 of MRT 10. Ordering paragraph 2 of Decision No. 69557 required common carriers to publish rules similar to those set forth in Items 163 and 165 of MRT 10 if they engage in such practices.

The fact that the common carrier tariff to which Lewis was a party (WMTB Tariff 17) did not contain provisions similar to Items 163 and 165 of MRT 10 does not excuse Lewis from the requirements of said items since Lewis was required to establish similar items in his tariff by Decision No. 69557.

Based on the evidence adduced the Commission finds that:

1. At the time the transportation which is the subject of this investigation took place Lewis had a cement carrier certificate. Said certificate did not authorize transportation to Siskiyou County. Lewis transported cement to Siskiyou County.

2. Respondents Dorothy, Sparks, Siino and Norback did not have authority to transport cement.

3. Respondent Santos held a cement contract carrier permit authorizing transportation to Contra Costa County.

4. Transportation performed by Santos did not terminate in Contra Costa County.

5. The agreements entered into by Lewis with Dorothy, Santos, Siino and Norback provided that the owners of power equipment would lease power equipment to Lewis for compensation computed on a percentage of gross earnings. The agreements also provided that Lewis would hire all drivers.

6. The compensation for the use of Dorothy's, Santos', Siino's and Norback's equipment was not computed pursuant to the terms of the leases. The compensation was based upon 100 percent of the earnings of the equipment less certain deductions.

7. One of the deductions from the earnings was labeled trailer rental. Said deduction was 25 percent of the gross earnings of Dorothy and 27 percent of the gross earnings of Santos, Siino and Norback.

8. Dorothy, Santos, Siino and Norback were also paid wages by Lewis and appeared on Lewis' payroll records; however, said wages plus the employer's share of social security taxes and unemployment and workmen's compensation insurance premiums were deducted from the earnings of the equipment.

9. Sparks and Lewis entered into an oral agreement which provided for the purchase of two tractors by Sparks from Lewis. Sparks was to pay for the tractors by having payments for them deducted from earnings of the tractors in transportation for Lewis.

10. Sparks transported cement in Lewis' trailers during the months of May, June and July 1970.

11. Sparks' compensation was based upon the gross earnings of the equipment less certain deductions, one of which was trailer rental of 25 percent of the gross earnings.

12. Sparks was not carried on Lewis' payroll records.
13. Dorothy, Santos, Siino, Norback and Sparks were not employees of Lewis.
14. Dorothy, Santos, Siino, Norback and Sparks were underlying carriers (subhaulers).
15. Lewis did not have a subhaul bond on file as required by General Order No. 102-C.
16. Respondents Dorothy, Siino, Santos, Norback and Sparks paid for trailer rental in excess of 9 percent as follows:

Dorothy	- \$	58.93
Siino	- \$	307.03
Santos	- \$	817.71
Norback	- \$	628.85
Sparks	- \$	1,145.42

Based on the foregoing findings of fact the Commission concludes that:

1. Lewis violated Sections 453, 458 and 1074 of the Public Utilities Code, General Order No. 102-C and Items 163 and 165 of Minimum Rate Tariff 10.
2. Lewis violated Section 1063 of the Public Utilities Code by transporting cement to Siskiyou County.
3. Dorothy, Siino, Santos, Norback and Sparks violated Section 1063 or 3621 of the Public Utilities Code by failing to obtain appropriate operating authority to transport cement.
4. Dorothy, Siino, Santos, Norback and Sparks violated Section 3737 of the Public Utilities Code and Item No. 165 of Minimum Rate Tariff 10.
5. Northern (the successor to Lewis) should pay a fine pursuant to Section 1070 of the Public Utilities Code in the amount of \$3,000.
6. Dorothy, Siino, Santos, Norback and Sparks should be ordered to collect from Northern (the successor to Lewis) the difference between the trailer rental paid and the 9 percent trailer rental authorized by Item 165 of Minimum Rate Tariff 10 as set forth in Finding 16.

7. Northern (the successor to Lewis) should be ordered to pay to Dorothy, Siino, Santos, Norback and Sparks the amounts set forth in Finding 16 which amounts are the differences between the trailer rental previously withheld and the 9 percent trailer rental authorized by Item 165 of Minimum Rate Tariff 10.

8. Northern (the successor to Lewis), Dorothy, Siino, Santos, Norback and Sparks should be ordered to cease and desist operating pursuant to lease agreements which are in violation of Item No. 165 of Minimum Rate Tariff 10 and to refrain from operating pursuant to any other agreement or arrangement that amounts to a device to evade the prescribed tariff charges.

9. Northern (the successor to Lewis), Dorothy, Siino, Santos, Norback and Sparks should be ordered to cease and desist from transporting cement until such time as they are properly authorized to do so by the Commission.

10. Dorothy, Siino, Santos, Norback and Sparks should pay a fine pursuant to Sections 2100 and 3800 of the Public Utilities Code in the amounts of the undercharges.

### O R D E R

IT IS ORDERED that:

1. Northern Cement Transportation, Inc. shall pay a fine of \$3,000 on or before the fortieth day after the effective date of this order.

2. Arnold Dorothy, John D. Santos, Peter J. Siino, Barry R. Norback and Leo Sparks shall take such action, including legal action, to collect the undercharges due them from Northern Cement Transportation, Inc., said amounts being \$58.93, \$817.71, \$307.03, \$628.85 and \$1,145.42, respectively, and shall notify the Commission in writing upon consummation of such collections.

3. Northern Cement Transportation, Inc. shall pay to Arnold Dorothy, John D. Santos, Peter J. Sino, Barry R. Norback, and Leo Sparks the amounts of undercharges set forth in Ordering Paragraph No. 2.

4. In the event undercharges ordered to be paid by paragraph 3 of this order, or any part of such undercharges, remain unpaid sixty days after the effective date of this order, Northern Cement Transportation, Inc. shall file with the Commission, on the first Monday of each month after the end of said sixty days, a report of the undercharges remaining to be paid, and specifying the action taken to pay such undercharges until such undercharges have been paid in full or until further order of the Commission.

5. Arnold Dorothy shall pay a fine of \$58.93 as provided by Sections 2100 and 3800 of the Public Utilities Code upon collection of said amount from Northern Cement Transportation, Inc.

6. John D. Santos shall pay a fine of \$817.71 as provided by Sections 2100 and 3800 of the Public Utilities Code upon collection of said amount from Northern Cement Transportation, Inc.

7. Peter J. Sino shall pay a fine of \$307.03 as provided by Sections 2100 and 3800 of the Public Utilities Code upon collection of said amount from Northern Cement Transportation, Inc.

8. Barry R. Norback shall pay a fine of \$628.85 as provided by Sections 2100 and 3800 of the Public Utilities Code upon collection of said amount from Northern Cement Transportation, Inc.

9. Leo Sparks shall pay a fine of \$1,145.42 as provided by Sections 2100 and 3800 of the Public Utilities Code upon collection of said amount from Northern Cement Transportation, Inc.

10. Northern Cement Transportation, Inc., John D. Santos, Arnold Dorothy, Peter J. Sino, Barry R. Norback, dba Chichicatanango Trucking, and Leo Sparks shall cease and desist from operating pursuant to lease agreements which are in violation of Item No. 165 of Minimum Rate Tariff 10, and refrain from operating pursuant to any other agreement or arrangement which amounts to a device to evade the tariff charges.

11. Northern Cement Transportation, Inc., John D. Santos, Arnold Dorothy, Peter J. Sino, Barry R. Norback, dba Chichicastango Trucking, and Leo Sparks shall cease and desist from operating as carriers of cement until such time as they are properly authorized to do so by the Commission.

12. Northern Cement Transportation, Inc., shall cease and desist from conducting operations which are in violation of General Order No. 102-C and Section 1074 of the Public Utilities Code.

The Secretary of the Commission is directed to cause personal service of this order to be made upon each respondent.

The effective date of this order as to each respondent shall be twenty days after the completion of service on the respondent so served.

Dated at Los Angeles, California, this 18<sup>th</sup> day of APRIL, 1972.

[Signature]  
Chairman  
William Lyons Jr.  
[Signature]  
Susan L. Stanger  
[Signature]  
Commissioners