

Decision No. 80461

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THOMAS J. MATTESICH,
doing business as J. E. MATTESICH &
SONS, for authority under Section 3666
of the Public Utilities Code of the
State of California to deviate from
the minimum rates for the transporta-
tion of plastic bath tubs and plastic
shower bath stalls for American Standard,
Plumbing & Heating Division.

Application No. 53490
(Filed August 1, 1972)

O P I N I O N

Thomas J. Mattesich, doing business as J. E. Mattesich & Sons, (Mattesich), operates as a radial highway common carrier. In this application Mattesich seeks authority under Section 3666 of the Public Utilities to deviate from the rates in Minimum Rate Tariff 2 (MRT 2) for the transportation of plastic bath tubs and plastic shower bath stalls from the plant of American Standard, Plumbing & Heating Division, Stockton, California, to destination points located within 235 actual miles from Stockton.

The application states that the applicable minimum rates are the class rates set forth in MRT 2, based on the classification rating of Class 400 for plastic bath tubs and shower bath stalls set forth in National Motor Freight Classification A-12.

The proposed deviation rates sought in the application are flat charges per trip per loaded unit of equipment as herein-after described, from the plant of American Standard at Stockton to destination and return empty. Other than this rate deviation, all applicable minimum charges, rules and regulations shall be applied. The application states that trips frequently include deliveries for two or more destinations; when more than one delivery is involved, American Standard issues a master bill of lading to cover all deliveries loaded on one unit of equipment used for such trip.

The application is based upon the following facts and circumstances: Applicant performs his transportation service in units of equipment consisting of a 2-axle tractor pulling two 22-foot flat bed trailers (one unit of equipment). When loaded to lawful maximum width, length, and height, 18 bath tubs can be loaded per trailer, or a total of 36 on two trailers, weighing not more than 4,500 pounds. Where a mixed load of bath tubs and shower stalls are loaded on one unit of equipment, the weight is less than 4,500 pounds. The dimensions of bath tubs and shower stalls are as follows:

Bath Tub	- 60½" x 74"	Weight - 125 pounds
Shower Stall	- 36" x 74"	" - 60 "
Shower Stall	- 48½" x 74"	" - 115 "

The classification rating on plastic bath tubs, set up, and plastic shower bath stalls, set up, was increased from Class 300 to Class 400, in Supplement No. 23, bearing an effective date of March 5, 1971, to National Motor Freight Classification A-11. Such increase in rating subsequently became effective on California intrastate traffic. The application alleges that such increase in rating has brought the currently applicable minimum rates and charges so high that American Standard is threatening proprietary hauling of shipments from its Stockton plant with its own fleet of equipment. Applicant has been performing transportation service for American Standard for the past four years. It constitutes practically 80 percent of applicant's transportation service. Applicant asserts that the loss of this traffic would create a severe financial problem for him.

Transportation service will be performed on an on-call basis. Volume of movement is estimated to approximate a monthly average for 1971 of 32 loads per month, with an average weight of 3,853 pounds per load.

The application states that favorable operating conditions exist which will permit applicant to operate at a reasonable profit under the sought rate deviation; for example, the shipper performs the entire loading operation at its plant with power equipment. The

limitation of the sought authority to points of destination within 235 actual miles limits operations to destination points located within one day's driving time for the round trip from Stockton and return thereto.

The application contains a comparison of charges per unit of equipment based on Class 400 rates subject to a minimum weight of 5,000 pounds with the proposed flat charges per unit of equipment sought in the application. Said comparison indicates that, based on 332 loads hauled in 1971, the proposed charges would approximate 48 percent of the charges based on current minimum rates.

The application contains estimated costs of performing the service for a typical shipment (Stockton to San Jose). Said cost analysis shows that total operating costs would amount to \$116.98, while revenue under the sought flat charge per shipment would amount to \$149.65, providing a cost/revenue relationship of 78 percent. Applicant asserts that his cost comparison shows that the proposed rates will be compensatory.

The application was served in accordance with Commission rules and notice of the filing of the application appeared in the Commission's Daily Calendar. There are no protests.

Based on the foregoing, the Commission finds that the rates and charges proposed in the application will be compensatory and will be reasonable for the transportation service to be performed by applicant. A public hearing is not necessary. The application should be granted limited to a period of one year.

O R D E R

IT IS ORDERED that:

1. Thomas J. Mattesich, doing business as J. E. Mattesich & Sons, is authorized to assess rates less than the minimum rates in Minimum Rate Tariff 2 for the transportation of plastic bath tubs and plastic shower bath stalls for American Standard, Plumbing and Heating Division, from that company's plant at Stockton to points

located within 235 actual miles of Stockton, but not less than the rates or charges set forth in Appendix A attached hereto and made a part hereof.

2. The authority granted herein shall expire October 31, 1973, unless sooner changed or extended.

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

Dated at San Francisco, California, this 31st
day of AUGUST, 1972.

Vernon L. Stinson
President
William J. Quinn
John A. Min
Stanley D. DeLoe
Commissioners

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

APPENDIX A

Carrier: Thomas J. Mattesich, dba J. E. Mattesich & Sons.

Shipper: American Standard, Plumbing and Heating Division.

Commodities: Plastic bath tubs, setup, and plastic shower stalls, set up.

Point of Origin: Stockton.

Points of Destination: Points within 235 actual miles of Stockton.

Authorized Charges Per Unit of Equipment: (Subject to all applicable minimum charges, and rules set forth in Minimum Rate Tariff 2).

<u>MILES</u>		Charge Per Unit of Equipment (1)	<u>MILES</u>		Charge Per Unit of Equipment (1)
<u>Over</u>	<u>But Not Over</u>		<u>Over</u>	<u>But Not Over</u>	
0	3	\$ 78.00	90	100	\$151.00
3	5	82.00	100	110	154.00
5	10	88.00	110	120	157.00
10	15	93.00	120	130	160.00
15	20	97.00	130	140	165.00
20	25	100.00	140	150	170.00
25	30	102.00	150	160	174.00
30	35	106.00	160	170	179.00
35	40	112.00	170	180	183.00
40	45	118.00	180	190	188.00
45	50	120.00	190	200	193.00
50	60	127.00	200	220	199.00
60	70	133.00	220	240	205.00
70	80	140.00			
80	90	146.00			

(1) Plus surcharge of six percent.