

Decision No. 80756

ORIGINAL

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 Nos. 7 and 17-A).

Case No. 5437
Petition for Modification
No. 217

(Filed January 19, 1972)

Karl K. Roos, Attorney at Law, for
Sully-Miller Contracting Co.,
petitioner.
G. Ralph Grago and James R. Foote,
for Associated Independent Owner-
Operators, Inc., interested party.
R. W. Smith, Attorney at Law,
Arlo D. Poe, Attorney at Law, and
H. F. Kollmyer, for California
Trucking Association, interested
party.
Harry C. Phelan, Jr., for California
Asphalt Pavement Association,
interested party.
E. O. Blackman, for California Dump
Truck Owners Association, interested
party.
Ralph J. Staunton and Ronald I. Hollis,
for the Commission's staff.

O P I N I O N

Petitioner, Sully-Miller Contracting Company (Sully-Miller), is engaged in the business of processing, marketing and shipping rock, sand, gravel and asphaltic concrete. One of its plants for the processing of asphaltic concrete is located

within the City of Irvine in the vicinity of the intersection of Barranca and San Joaquin Roads.^{1/} The services of for-hire dump truck carriers are used for the transportation of asphaltic concrete from this plant.

At present this transportation is subject to hourly and distance rates in Minimum Rate Tariff 7 (MRT 7). However, the minimum rates which apply for the transportation of asphaltic concrete by for-hire dump truck carriers from most commercial asphaltic concrete plants in Orange County and portions of Los Angeles, Riverside, San Bernardino and Ventura Counties are zone rates which are set forth in Minimum Rate Tariff 17-A (MRT 17-A), and which apply from designated production areas to defined delivery zones.

Sully-Miller alleges that the transportation of its shipments under the hourly rates requires costly supervision, and increases its expense of billing customers and of paying carriers. Assertedly, the distance rates are inequitable, and limit Sully-Miller's ability to obtain the number of for-hire carriers needed for the transportation involved.

By this petition Sully-Miller seeks to have the zone rates in MRT 17-A extended to apply to the shipments of asphaltic concrete from its Irvine plant to destinations in delivery zones in Orange County.

^{1/} Petitioner identified the plant as being located within Santa Ana. However, since the filing of this petition the City of Irvine was incorporated. Apparently, petitioner's plant actually lies in the area included within the Irvine city limits.

Public hearing on the petition was held before Examiner C. S. Abernathy at Los Angeles on May 2 and June 15, 1972.

Petitioner submitted evidence through two witnesses: its general manager and the general manager's administrative assistant. According to testimony of the general manager, petitioner's Irvine plant produces more than 5,000 tons of asphaltic concrete per month. Its rate of production is about 7,000 pounds per batch. The plant area is about 430 by 500 feet. The administrative assistant submitted data showing tie-in times and mileages from the proposed production area to the existing traverse network upon which the zone rates in MRT 17-A for Orange County (also portions of Los Angeles, San Bernardino, Riverside, Santa Barbara and Ventura Counties) were calculated.

The area which petitioner seeks to have designated as a production area is described in surveyor's terms. A Commission rate expert recommended that the area be described by boundaries which follow streets and other easily identifiable features. He also recommended that the area which would be designated as a production area be smaller than that proposed by petitioner. It was his view that petitioner's proposed area is unnecessarily large.

A Commission engineer submitted an exhibit to show the zone rates that would be established if the petition is granted. The exhibit also sets forth time, distance and cost data upon which the rates were calculated.

Findings:

1. The establishment of the zone rates which petitioner seeks would provide rates for the transportation of petitioner's shipments that are the same in kind and character as the zone rates in MRT 17-A which apply from numerous other production areas to delivery zones in Orange County.

2. The designation of Sully-Miller's plant area as a production area and the establishment of zone rates therefrom conforming to the zone rates in MRT 17-A for the transportation of asphaltic concrete from other production areas in Orange County will result in just, reasonable and nondiscriminatory minimum rates for the transportation to which said rates would apply.

Conclusions:

The petition should be granted.

The description of the proposed production area which the Commission rate expert recommended will be adopted in connection with the rates which are hereinafter prescribed. With some exceptions the rates will be computed on the basis of the traverse data contained in the exhibits submitted by the administrative assistant to petitioner's general manager and by the Commission engineer. It appears that in some instances the traverse data do not reflect the shortest time routes over the traverse network from the proposed production area to the delivery zones involved. Corrections have been made where necessary to conform the data to the shortest time routes. The resultant data (those used in the calculation of the rates hereinafter prescribed) are set forth in the attached Appendices A and B.

The zone rates in MRT 17-A which apply at present for the transportation of asphaltic concrete within Orange County were prescribed by Decision No. 75149 dated December 27, 1968. The level of the rates which are hereinafter ordered conforms to that of the present rates. The formula which was used in the calculation of the rates is set forth in the attached Appendix C.

IT IS ORDERED that:

1. Directory 1 (Appendix A of Decision No. 69469, as amended) and Minimum Rate Tariff 17-A (Appendix C of Decision No. 80578) are amended by incorporating therein, to become effective December 16, 1972, the revised pages attached hereto and listed in Appendix D, also attached hereto, which pages and appendix are made a part hereof.

2. In all other respects, Decision No. 69469, as amended, and Decision No. 80578 shall remain in full force and effect.

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

Dated at San Francisco, California, this 21st day of NOVEMBER, 1972.

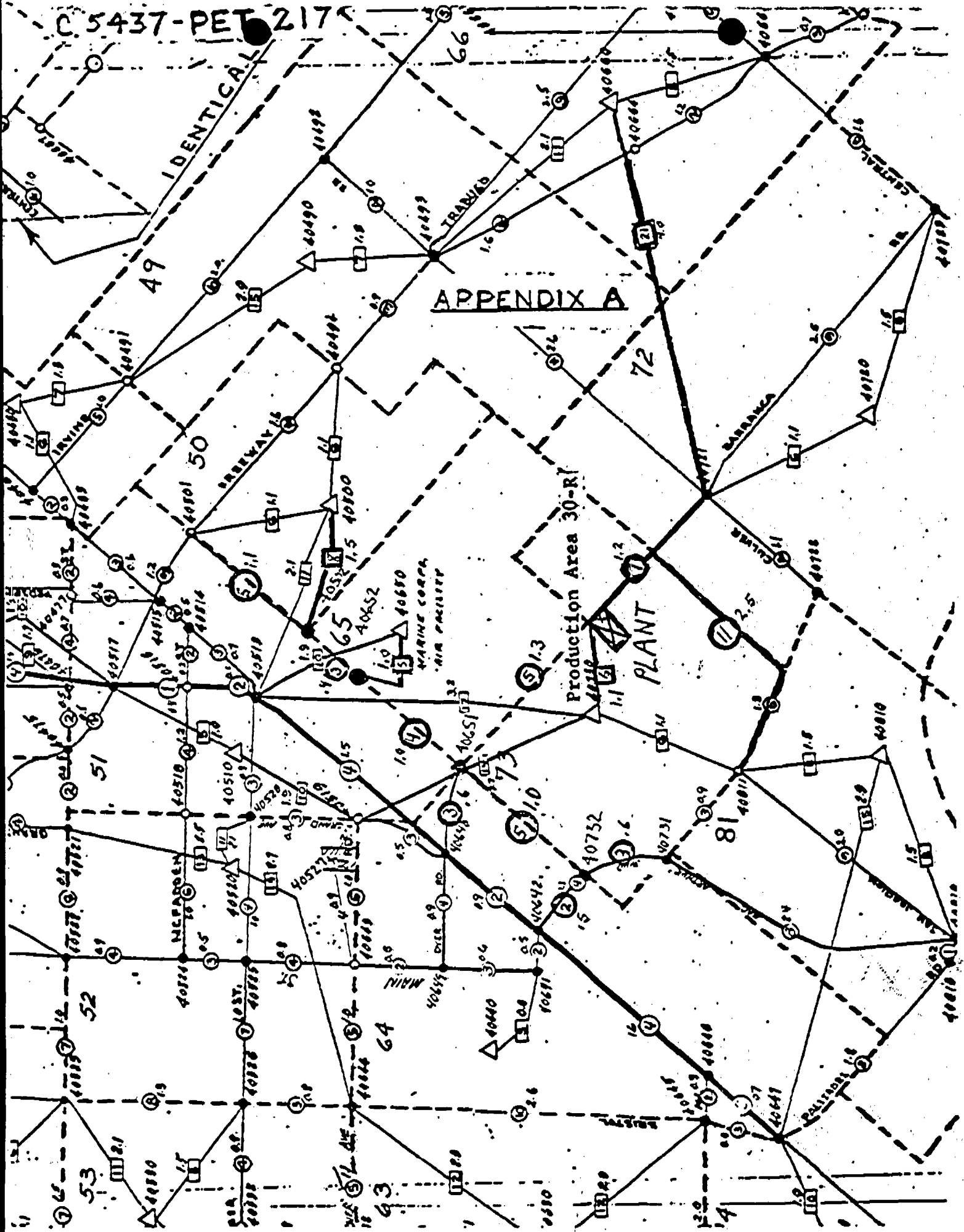
Vernon L. Stenger
President
William J. Grogan, Jr.
J. J. Martin
Samuel H. H.
Ed. D. D.
Commissioners

C 5437-PET 217

IDENTICAL

APPENDIX A

Production Area 30-R
PLANT



APPENDIX B

INDEX A

TRAVERSE DATA (AMENDED)
FROM ORANGE COUNTY PRODUCTION AREA 30-R
TO THE FOLLOWING DELIVERY ZONES

DEL. ZONE	TIME	MILES	COST	RATE	DEL. ZONE	TIME	MILES	COST	RATE
30001	62.	17.5	1.408	1.55	30046	30.	8.5	.870	.96
30002	62.	17.9	1.417	1.56	30047	25.	6.3	.768	.85
30003	74.	22.1	1.638	1.80	30048	26.	6.3	.778	.86
30004	84.	22.3	1.745	1.92	30049	25.	5.1	.740	.81
30005	81.	24.2	1.759	1.94	30050	20.	4.2	.668	.74
30006	75.	22.0	1.646	1.81	30051	20.	5.4	.696	.77
30007	82.	23.4	1.750	1.93	30052	25.	5.3	.744	.82
30008	77.	20.4	1.629	1.79	30053	30.	6.6	.826	.91
30009	67.	17.2	1.452	1.60	30054	45.	10.0	1.059	1.17
30010	48.	15.0	1.206	1.33	30055	42.	11.8	1.070	1.18
30011	56.	16.6	1.325	1.46	30056	45.	13.4	1.138	1.25
30012	58.	15.4	1.318	1.45	30057	53.	15.5	1.269	1.40
30013	63.	18.2	1.434	1.58	30058	70.	23.0	1.618	1.78
30014	55.	16.9	1.322	1.46	30059	61.	16.4	1.372	1.51
30015	58.	19.1	1.404	1.55	30060	56.	14.4	1.274	1.40
30016	68.	21.5	1.563	1.72	30061	47.	12.4	1.135	1.25
30017	73.	20.5	1.590	1.75	30062	36.	10.3	.974	1.07
30018	67.	19.0	1.494	1.64	30063	28.	7.0	.815	.90
30019	60.	17.7	1.392	1.53	30064	15.	3.9	.609	.67
30020	51.	15.7	1.253	1.38	30065	8.	1.5	.482	.53
30021	48.	14.9	1.204	1.33	30066	28.	5.2	.773	.85
30022	48.	13.5	1.171	1.29	30067	50.	11.0	1.133	1.25
30023	49.	14.3	1.200	1.32	30068	38.	8.1	.943	1.04
30024	41.	12.5	1.076	1.18	30069	44.	9.2	1.030	1.13
30025	42.	13.1	1.101	1.21	30070	43.	9.0	1.015	1.12
30026	52.	13.3	1.207	1.33	30071	23.	5.0	.717	.79
30027	42.	11.3	1.058	1.16	30072	13.	2.3	.552	.61
30028	30.	8.9	.880	.97	30073	6.	1.1	.452	.50
30029	40.	10.1	1.010	1.11	30074	26.	7.0	.794	.87
30030	32.	8.6	.893	.98	30075	35.	8.8	.928	1.02
30031	36.	10.5	.978	1.08	30076	42.	10.3	1.035	1.14
30032	41.	12.5	1.076	1.18	30077	46.	11.8	1.111	1.22
30033	51.	16.2	1.265	1.39	30078	39.	9.8	.993	1.09
30034	55.	18.2	1.353	1.49	30079	39.	9.8	.993	1.09
30035	60.	19.5	1.434	1.58	30080	34.	7.9	.897	.99
30036	66.	21.5	1.542	1.70	30081	19.	4.0	.653	.72
30037	69.	22.8	1.603	1.76	30090	43.	10.6	1.052	1.16
30038	59.	20.9	1.457	1.60	30091	56.	12.6	1.232	1.36
30039	69.	22.8	1.603	1.76	30092	43.	10.7	1.055	1.16
30040	57.	19.5	1.404	1.55	30093	44.	10.2	1.053	1.16
30041	55.	18.2	1.353	1.49	30094	53.	11.9	1.185	1.30
30042	48.	16.6	1.244	1.37	30095	66.	16.1	1.416	1.56
30043	44.	14.5	1.154	1.27	30096	57.	13.8	1.270	1.40
30044	38.	11.7	1.027	1.13	30097	75.	17.3	1.536	1.69
30045	34.	8.9	.921	1.01	30098	81.	19.2	1.642	1.81

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APPENDIX B
TRAVERSE DATA (AMENDED)

INDEX A

FROM ORANGE COUNTY PRODUCTION AREA 30-R
TO THE FOLLOWING DELIVERY ZONES.

DEL. ZONE	TIME	MILES	COST	RATE
30099	49.	13.2	1.174	1.29
30100	59.	15.7	1.335	1.47
30101	66.	18.4	1.470	1.62
30102	76.	21.2	1.637	1.80
30103	86.	24.0	1.805	1.99
30116	82.	23.7	1.757	1.93
30117	92.	26.2	1.918	2.11
30118	93.	27.4	1.956	2.15

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Appendix C

Formula for Zone Rates for Asphaltic Concrete
Prescribed by Decision No. 75149 dated December 27, 1968

Rate per ton equals:

$$\frac{(\text{One-way miles} \times \$0.0234) + (96\% \text{ round-trip minutes} \times \$0.01064) + \$0.365}{.9085}$$

(End)

APPENDIX D

LIST OF ORIGINAL AND REVISED PAGES TO
MINIMUM RATE TARIFF 17-A AND DIRECTORY 1

MINIMUM RATE TARIFF 17-A:

ORIGINAL PAGE 12-R

DIRECTORY 1:

THIRD REVISED PAGE 145

THIRD REVISED PAGE 146

(END OF APPENDIX D)

SECTION 12 - ZONE RATES IN CENTS PER TON (CONTINUED)

COMMODITIES AS DESCRIBED IN ITEM 65

FROM ORANGE COUNTY PRODUCTION AREA 30-R
TO THE DELIVERY ZONES SET FORTH BELOW

ZONE	RATE	ZONE	RATE	ZONE	RATE	ZONE	RATE	ZONE	RATE	ZONE	RATE
30001	155	30051	77								
30002	156	30052	82								
30003	180	30053	91								
30004	192	30054	117								
30005	194	30055	118								
30006	181	30056	125								
30007	193	30057	140								
30008	179	30058	178								
30009	160	30059	151								
30010	133	30060	140								
30011	146	30061	125								
30012	145	30062	107								
30013	158	30063	90								
30014	146	30064	67								
30015	155	30065	53								
30016	172	30066	85								
30017	175	30067	125								
30018	164	30068	104								
30019	153	30069	113								
30020	138	30070	112								
30021	133	30071	79								
30022	129	30072	61								
30023	132	30073	50								
30024	118	30074	87								
30025	121	30075	102								
30026	133	30076	114								
30027	116	30077	122								
30028	97	30078	109								
30029	111	30079	109								
30030	98	30080	99								
30031	108	30081	72								
30032	118	30090	116								
30033	139	30091	136								
30034	149	30092	116								
30035	158	30093	116								
30036	170	30094	130								
30037	176	30095	156								
30038	160	30096	140								
30039	176	30097	169								
30040	155	30098	181								
30041	149	30099	129								
30042	137	30100	147								
30043	127	30101	162								
30044	113	30102	180								
30045	101	30103	199								
30046	96	30116	193								
30047	85	30117	211								
30048	86	30118	215								
30049	81										
30050	74										

DECISION NO. 80756

EFFECTIVE

CORRECTION

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

SECTION 3 - ORANGE COUNTY PRODUCTION AREAS A
 DELIVERY ZONES (Continued)

ORANGE COUNTY PRODUCTION AREAS	AREA
<p>Beginning at a point approximately four-tenths (.4) mile east of Gypsum Creek on the Santa Ana Canyon Road (State Highway 91) and identified by a Division of Highways Marker No. B486 + 75; westerly along the Santa Ana Canyon Road (State Highway 91) to a paved private road approximately one-tenth (.1) mile westerly of Gypsum Creek; southerly along said private road two-tenths (.2) mile; easterly along a line paralleling the Santa Ana Canyon Road (State Highway 91) to a point due south of said Division of Highways Marker B486 + 75; north along a direct line to the point of beginning.</p>	30-G
<p>Beginning at Ellis and Golden West Avenue, in Huntington Beach; thence north along Golden West Avenue to Talbert; thence east along Talbert to Cothard; thence south along Cothard to Ellis; thence west along Ellis to the point of beginning.</p>	30-I
<p>Beginning at the intersection of Beach Boulevard (SSR 39) and Katella Avenue; southerly along Beach Boulevard (SSR 39) to Ruthann Avenue; easterly along a direct line to the intersection of Dale Street and the Pacific Electric Railway Company right-of-way; northerly along Dale Street to Katella Avenue; westerly along Katella Avenue to the point of beginning.</p>	30-J
<p>Beginning at the prolongation of Jefferson Street and the Santa Ana River; thence northerly along said prolongation and Jefferson Street to State Highway 91; thence westerly along State Highway 91 to its intersection with the southerly prolongation of Red Gum Street; thence southerly along said prolongation of Red Gum Street to the Santa Ana River; thence easterly along the Santa Ana River to point of beginning.</p>	30-K

No change on this
 page

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EFFECTIVE

Correction

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

SECTION 3 - ORANGE COUNTY PRODUCTION AREAS AND
 DELIVERY ZONES (Continued)

ORANGE COUNTY PRODUCTION AREAS	AREA
Beginning at the intersection of Walnut and Taylor Streets; thence west on Walnut Street to its intersection with Van Buren Street; thence south on the southerly extension of Van Buren Street to its intersection with the Santa Ana River; thence northeasterly on the Santa Ana River to its intersection with the southerly extension of Taylor Street; thence north on said extension of Taylor Street to the point of beginning.	30-L
Beginning at the intersection of the easterly extension of South Street and the Santa Ana River; thence westerly along said extension and along South Street to its intersection with Rio Vista Street; thence southwesterly along a direct line to the intersection of Eaton Way and Ball Road; thence southerly along Eaton Way to Taft Avenue; thence easterly along Taft Avenue and the easterly extension thereof to the intersection of said extension with the Santa Ana River; thence northeasterly along the Santa Ana River to the point of beginning.	30-M
Beginning at the intersection of Warner Avenue and Grand Avenue in the City of Santa Ana; thence north along Grand Avenue to a point exactly seven hundred feet north of said intersection; thence due west to Standard Avenue; thence south along Standard Avenue to Warner Avenue; thence east along Warner Avenue to the point of beginning.	30-N
An area northerly of the El Toro Marine Air Station more specifically described as the westerly 1/4 of Block 152, Irving Subdivision, as recorded in the records of the Orange County Recorder.	30-O
An area approximately 6 miles easterly of San Juan Capistrano more specifically described as the S 1/4 of Section 35, Section 36, and the SE 1/4 of Section 25, Township 7, South, Range 7 West, SBBM inclusive.	30-P
That area lying northerly of Santiago Canyon Road and westerly of Black Star Canyon Road within a radius of six-tenths (.6) mile from the intersection of Santiago Canyon Road and Silverado Canyon Road.	30-Q
Beginning at the intersection of Barranca Road and San Joaquin Road; thence southeasterly along Barranca Road to Construction Way West; thence southwesterly along Construction Way West 1/10th mile; thence northwesterly along a line parallel to and 1/10th mile southwesterly of Barranca Road to the southwesterly prolongation of San Joaquin Road; thence northeasterly along the prolongation of San Joaquin Road to the point of beginning.	*30-R

* Addition, Decision No.

80756

EFFECTIVE

Correction

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