

Decision No. 81196

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CLYDE GRIFFITH, Doing
Business As GRIFFITH TRUCKING, for
authority under Section 3666 of the
Public Utilities Code of the State
of California to deviate from the
minimum rates for the transportation
of Hot Asphalt in tank vehicles, for
INDUSTRIAL ASPHALT, a division of
GULF OIL CORPORATION.

Application No. 53502
(Filed August 3, 1972)

E. H. Griffiths, for Clyde Griffith, doing business
as Griffith Trucking, applicant.

Thomas J. Hays, H. Hughes, and A. D. Poe, Attorney
at Law, for California Trucking Association,
Interested party.

J. L. Glovka, for the Commission staff.

O P I N I O N

Clyde Griffith, applicant, doing business as Griffith Trucking, operates as a petroleum contract carrier. By Decision No. 80582 dated October 11, 1972 applicant was granted ex parte authority, pending public hearing, to depart from the governing provisions of Minimum Rate Tariff 6-A for the transportation of hot asphalt, in bulk, in insulated tank trucks and trailers. The hot asphalt is transported from the Shell Oil Company's refinery at Martinez and the Douglas Oil Company's bulk plants at Pittsburg and Sacramento to Industrial Asphalt's hot plant facilities located at Fremont, Pleasanton, Oakland, Grass Valley, and Linden. The interim authority is scheduled to expire April 11, 1973.

Public hearing was held before Examiner Gagnon at San Francisco on February 16, 1973. Applicant presented operating cost and revenue data in support of the sought relief. A representative for Industrial Asphalt also testified on behalf of applicant. Extension of the temporary authority granted by Decision No. 80582 is not opposed.

The minimum distance rates governing the transportation of hot asphalt, in bulk, are set forth in Item 400 of Minimum Rate Tariff 6-A. The rates are stated in cents per 100 pounds and apply for designated mileages. Item 190 of the tariff provides that the truckload asphalt rates named in Item 400 of the tariff shall be subject to a minimum weight of 48,000 pounds when transportation is performed in two connected tank vehicles. Item 70 of the tariff provides that when shipments of asphalt are ordered and delivered at certain designated off-hours the minimum rate shall be 90 percent of the otherwise applicable rate named in Item 400 of the tariff. A comparison of the minimum rates applicable to the transportation performed by applicant for the account of Industrial Asphalt with the sought rates proposed herein for such traffic follows:

TABLE 1
HOT ASPHALT, IN BULK

From	To	Rates In Cents Per Ton ⁽¹⁾		
		Minimum Rates ⁽²⁾		Requested Rate ⁽³⁾
		Regular Hours	Off Hours	
Martinez	Fremont	380	342	337
Martinez	Pleasanton	380	342	304
Pittsburg	Oakland	380	342	337
Martinez	Grass Valley	780	-	693
Sacramento	Grass Valley	460	414	412
Martinez	Linden	510	459	491
Pittsburg	Linden	460	414	456

(1) Minimum rates converted to cents per ton of 2,000 pounds.

(2) Minimum weight 48,000 pounds.

(3) Minimum weight 50,000 pounds.

From Table 1 it will be noted that applicant seeks authority to assess rates which, except in two instances, are below the so-called off-hour rates. Applicant explained that, in effect, the main thrust of the sought relief goes to the assessment of off-hour rates on a 24 hours per day, 7 days per week basis.

In performing the transportation involved applicant employs a 3-axle tank truck and connected 2-axle tank trailer, subject to a 50,000-pound minimum weight. Loading and unloading of applicant's equipment is accomplished by gravity flow. Industrial Asphalt has utilized applicant's services over the past four years and considers such service to be excellent. Applicant has been advised that due

to market conditions Industrial Asphalt now requires on-call service 24 hours per day, 7 days per week at rates lower than those prescribed in Minimum Rate Tariff 6-A. Applicant's sought authority to deviate from the otherwise governing minimum rates was, therefore, filed pursuant to shippers' request. In this connection it should be noted that Industrial Asphalt maintains a rather extensive proprietary trucking fleet capable of performing the transportation involved.

For the year 1972 Industrial Asphalt received 25,797 tons of bulk hot asphalt at its various plant facilities for which \$102,794.39 in transportation charges were paid. For the months of October, November, and December applicant's gross earnings under its existing interim authority was \$17,735.65. The operating cost and revenue data submitted by applicant show that the transportation performed by Griffith Trucking under the present interim authority, as well as the carrier's overall operations, is profitable.

The Commission finds that the sought continuation of applicant's current interim authority, as amended by Exhibit 7 to reflect the carrier's proposed adjusted rates, has been shown to be just and reasonable. It is concluded that the temporary authority granted by Decision No. 80582, as amended by the order herein, should be extended. Since transportation conditions may change, the extended authority should be made subject to an expiration date of approximately one year.

O R D E R

IT IS ORDERED that:

1. Clyde Griffith, doing business as Griffith Trucking, is authorized to transport hot asphalt, in bulk, for Industrial Asphalt between the points set forth, and at the rates specified, in Appendix A attached hereto and by this reference made a part hereof.

2. The authority granted herein is in lieu of the interim relief granted by Decision No. 80582 and shall expire April 15, 1974 unless sooner canceled, modified, or extended by order of the Commission.

The effective date of this order shall be April 11, 1973.

Dated at Los Angeles, California, this 27th
day of MARCH, 1973.

Vernon L. Shugart
President
William J. Lyons Jr.
J. H. [unclear]
[unclear]
[unclear]
Commissioners

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APPENDIX A

CARRIER: Griffith Trucking
SHIPPER: Industrial Asphalt
COMMODITY: Hot asphalt, in bulk
RATE: Minimum weight 50,000 lbs.

<u>From</u>	<u>To</u>	<u>Rate per Ton</u>
Martinez	Fremont	\$3.37
	Pleasanton	3.04
	Oakland	2.63
	Grass Valley	6.93
	Linden	4.91
Pittsburg	Fremont	3.61
	Pleasanton	3.11
	Oakland	3.37
	Grass Valley	7.04
	Linden	4.56
Sacramento	Grass Valley	4.12
	Linden	4.12