

ORIGINAL

Decision No. 31719

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 Tariffs Nos. 7 and 17-A)

Case No. 5437
Petition for Modification
No. 248
(Filed May 30, 1973)

OPINION AND ORDER

Petitioner, Owl Rock Products Co., a California corporation, is engaged in the business of producing, marketing, and distributing rock, sand, and gravel (rock products) at various locations in southern California. Petitioner seeks revision of Los Angeles County Production Area 19-G as described in the Commission's Southern California Production Area and Delivery Zone Directory 1.^{1/} Specifically, petitioner seeks enlargement of Production Area 19-G to include a parcel of land of approximately 50 acres lying immediately to the north of the production area and east of the San Gabriel River. Petitioner also seeks to eliminate from the production area a narrow strip of land bounded by Foothill Boulevard, Todd Avenue, the prolongation of 11th Street, and Loren Avenue and its prolongation in the city of Azusa.

Petitioner has executed a lease of the property which it seeks to be added to Production Area 19-G for the purpose of producing, marketing, and distributing rock products. The company expects to commence construction of its production facilities

1/ The descriptions of production areas and delivery zones in Directory 1 govern dump truck zone rates contained in Minimum Rate Tariff 17-A (MRT 17-A).

within the immediate future, and expects actual production to commence at that location within 12 months thereafter. Petitioner states that the production facilities will be completely modern in design and operation, with automatic overhead conveyer belt and bunker loading and automatic weighing facilities. Production at the new facility is expected to be in excess of 150,000 tons per month. Petitioner believes that dump truck terminal end loading times of said facilities will be equal to or less than the terminal end loading times currently included within the Commission's rate formula for zone rates in MRT 17-A.

Petitioner points out that there are neither zone nor area-to-point rates contained in MRT 17-A applicable from the point where petitioner plans to construct the new production facilities. In the absence of zone rates, distance or hourly rates in MRT 7 may be applied to shipments of rock products originating at the new production site. Petitioner states that its experience as a shipper of rock products indicates that carrier efficiency under hourly rates is less than under zone rates, particularly as the length of haul increases. This, it asserts, requires costly supervision on the longer hauls. Petitioner contends that the distance tonnage rates in MRT 7 have not been generally adjusted in years and are obsolete. It explains that for-hire carriers are reluctant to provide services under such rates. The shipper states that the Commission has followed a policy of bringing new production sites within the system of zones upon request of the shipper. Petitioner asserts that zone rates provide the shipper with a precise measure of estimating transportation costs for bidding and budgeting purposes. Revision of the description of Production Area 19-G, as proposed, will place petitioner on a rate parity with other producers of rock products who have production facilities located within the production area.

Petitioner states that the strip of land it seeks to have removed from the description of Production Area 19-G has been developed commercially for purposes other than the production of rock products; that no actual production of rock products or other commodities to which dump truck tariffs apply is currently taking place; and that it is believed that no actual production of such commodities will take place within the foreseeable future. It asserts that the strip of land can be deleted as nonessential to dump truck rates.

Copies of the verified petition have been served upon interested shipper and carrier associations. The petition was listed on the Commission's daily calendar. No objection to the granting of the petition has been received. The Commission's Transportation Division recommends that the petition be granted with one minor revision. It recommends that reference in the present boundary description to Pacific Electric Railway be changed to Southern Pacific Transportation Company (Azusa Branch).


In the circumstances the Commission finds that the revisions in the boundary description of Production Area 19-G proposed by petitioner, along with the railroad name change recommended by the staff, are justified. The Commission further finds that the zone rates in MRT 17-A which will apply from petitioner's proposed plant will be just, reasonable, and non-discriminatory minimum rates for the transportation involved. A public hearing is not necessary. The Commission concludes that the petition should be granted.

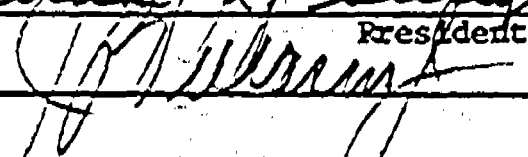
IT IS ORDERED that Directory 1 (Appendix A of Decision No. 69469 as amended, in Case No. 5437) is further amended by incorporating therein, to become effective September 14, 1973 ✓
Second Revised Page 17 and Second Revised Page 18 attached hereto and by this reference made a part hereof.

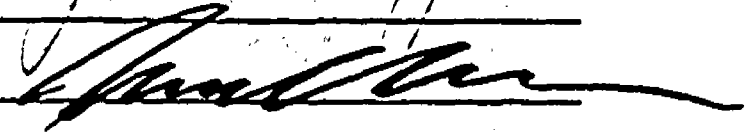
In all other respects Decision No. 69469 shall remain in full force and effect.

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

Dated at San Francisco, California, this
14th day of AUGUST, 1973.



President




Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.

SECTION 2--LOS ANGELES COUNTY PRODUCTION AREAS AND
 DELIVERY ZONES (Continued)

LOS ANGELES COUNTY PRODUCTION AREAS	AREA
Beginning at the intersection of Firestone Boulevard and Garfield Avenue; thence southerly on Garfield Avenue to Southern Avenue; westerly on Southern Avenue to the Los Angeles River; northerly along the Los Angeles River to Firestone Boulevard; easterly on Firestone Boulevard to the point of beginning.	19-C
The southwest quarter of Section 18, Township 4 North, Range 15 West, San Bernardino Base and Meridian.	19-CC
Beginning at the intersection of Hawthorne Boulevard and Redondo Beach Boulevard; westerly along Redondo Beach Boulevard to The Atchison, Topeka and Santa Fe Railway right-of-way; southerly along The Atchison, Topeka and Santa Fe Railway right-of-way to 182nd Street; easterly along 182nd Street to Hawthorne Boulevard; northerly along Hawthorne Boulevard to the point of beginning.	19-D
Beginning at the intersection of Bloomfield Avenue and Imperial Highway; thence easterly along Imperial Highway to Shoemaker Avenue; thence north along Shoemaker Avenue to Sunshine Avenue; thence west along a direct line to Bloomfield Avenue; thence south along Bloomfield Avenue to the point of beginning.	19-DD
Beginning at the intersection of New York Drive and Sierra Madre Villa Avenue; northerly and westerly along New York Drive to the intersection of the northerly prolongation of Rose Avenue; southerly along the prolongation of Rose Avenue and Rose Avenue to Cooley Place; easterly along a direct line to the point of beginning.	19-E
Beginning at the intersection of Greenvalley Road and Skyline Drive; thence due west to the northwest corner of Production Area QA; thence westerly in a direct line to the intersection of Calle Jueta Drive and Hazen Drive; northerly along Hazen Drive and Briarcrest Lane to Mulholland Drive; easterly along Mulholland Drive to the intersection of upper Fryman Road; thence southerly along a direct line to the point of beginning.	19-EZ

No change on this page, Decision No. 81719

EFFECTIVE

Correction

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

SECTION 2—LOS ANGELES COUNTY PRODUCTION AREAS AND
 DELIVERY ZONES (Continued)

LOS ANGELES COUNTY PRODUCTION AREAS	AREA
<p>Beginning at the intersection of the prolongation of Denning Avenue with the city limits lines of the City of Duarte and the City of Irwindale; westerly along said common boundary line to Mountain Avenue; southerly along Mountain Avenue to Van Meter Street; westerly along Van Meter Street and its prolongation to California Avenue; southerly along California Avenue and Myrtle Avenue to Live Oak Avenue; thence westerly along Live Oak Avenue to Lynd Avenue; southwesterly along Lynd Avenue to 8th Avenue; thence in a direct line to the intersection of Garypark Avenue and Miloann Street; westerly along Miloann Street to Tyler Avenue; southerly along Tyler Avenue to Lower Azusa Road; easterly along Lower Azusa Road to Cedar Avenue; northerly along Cedar Avenue to Cherrylee Drive; easterly along Cherrylee Drive to Peck Road; northerly along Peck Road to Clark Street; easterly along Clark Street and its prolongation to the west bank of the San Gabriel River; southerly along the west bank of the San Gabriel River to Ramona Boulevard; easterly along Ramona Boulevard to Harlan Avenue; northerly along Harlan Avenue to Los Angeles Street; thence in a direct line northeasterly to the intersection of Rivergrade Road and Live Oak Avenue; thence northerly along a direct line to the point of beginning.</p> <p>Beginning at the intersection of Inglewood Avenue and Florence Avenue; northerly along Inglewood Avenue and its prolongation to its intersection with the easterly prolongation of Meadowbrook Lane; westerly along said easterly prolongation, along Meadowbrook Lane, and along its westerly prolongation to its intersection with the northerly prolongation of Oak Street; southerly along the prolongation of Oak Street to Florence Avenue; easterly along Florence Avenue to the point of beginning.</p> <p>Beginning at the intersection of Todd Avenue and Foothill Boulevard in the City of Azusa; northerly along Todd Avenue and its prolongation to its intersection with the San Gabriel River; southerly and westerly along the east bank of the San Gabriel River to its intersection with the Southern Pacific Transportation Company (Azusa Branch) right-of-way; westerly along the Southern Pacific Transportation Company (Azusa Branch) right-of-way to its intersection with Fish Canyon Road; southerly along a direct line to the intersection of Arrow Highway and Maine Avenue (Irwindale city limits line); thence variously easterly, southerly, westerly and northerly along the city limits line of the City of Irwindale to Vincent Avenue; northerly along Vincent Avenue to Gladstone Street; easterly along Gladstone Street to Jackson Avenue; northerly along Jackson Avenue and its prolongation to 3rd Street; westerly along 3rd Street to Coney Avenue; northerly along Coney Avenue and its prolongation to Foothill Boulevard; westerly along Foothill Boulevard to the point of beginning.</p>	<p>19-F</p> <p>19-PF</p> <p>19-C</p>
<p>Change, Decision No. 81719</p>	
EFFECTIVE	
Correction	ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.