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ORIGINAL

Decision No. 81861

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LCR TRUCK & EQUIPMENT)
CO. for authority to deviate from)
Minimum Rate Tariff Number 2, in the)
transportation of aluminum and steel)
coils, for the GEORGE D. WIDMAN CO.,)
under the statutory provision of)
Section 3666.)

Application No. 54155
(Filed July 5, 1973)

INTERIM OPINION AND ORDER

Applicant Ruth Tunis, a radial highway common carrier and a highway contract carrier doing business as LCR Truck & Equipment Co., requests authority to deviate from the applicable minimum rate for the transportation of galvanized and painted steel and aluminum coils between Cucamonga and the plant of George D. Widman Co. at Gardena for the account of the latter company.

The rate applicable to the subject move is found in Minimum Rate Tariff 2 and is 49 cents per hundredweight, minimum weight 40,000 pounds. Applicant proposes to charge 31 cents per hundredweight, minimum weight 45,000 pounds. Applicant estimates that 4,410,000 pounds of the subject commodity will move annually averaging 3 loads per week at 45,000 pounds per load. Each of the coils weigh 9,500 pounds and each load will consist of 5 coils. The coils are shipper loaded and consignee unloaded. Applicant asserts that it will perform no accessorial services in connection with the moves.

Applicant states that she is now handling the subject traffic; that a single move requires between 4-1/4 and 4-1/2 hours from the time the truck is dispatched from the terminal until it returns to the terminal upon completion of the move; that the terminal-to-terminal mileage is 118 miles; that the normal loading time is 55 minutes and the unloading time 30 minutes; and that the estimated terminal-to-terminal operating cost for the move is \$65.60 and will return a gross revenue of \$139.50 calculated as follows:

Driver's wages (4-1/2 hrs. x \$5.76)	\$25.92
Vehicle's fixed cost (4-1/2 hrs. x \$2.003)	9.01
Vehicle's running cost (118 miles)	<u>8.86</u>
Total direct costs	\$43.79
Indirect costs (42.8% of direct costs)	18.74
Revenue costs (2.2% of revenue)	<u>3.07</u>
Total operating costs	\$65.60
Gross operating revenue (31¢ x 450)	\$139.50
Operating ratio (\$65.60 divided by \$139.50)	47%

Applicant supports the above figures with cost details.^{1/}

The application was noticed in the Commission's Daily Calendar of July 11, 1973. The certificate of service shows that the application was served on the California Trucking Association. No objection to the granting of the application has been received.

Upon consideration and subject to further review and consideration of evidence which may be adduced at a public hearing, the Commission finds and concludes that the proposed rates appear reasonable and compensatory; that the application should be granted for a period of six months; and that a further hearing should be scheduled in the matter for final disposition thereof.

^{1/} Review of these details indicates certain errors in the development; however, the difference between revenue and expenses is more than adequate to allow for necessary adjustments.

IT IS ORDERED that:

1. Ruth Tunis, an individual doing business as LCR Truck & Equipment Co., is hereby authorized to charge less than the applicable minimum rates for the transportation of galvanized and painted steel and aluminum in coils between Cucamonga and the plant of the George D. Widman Co. at Gardena, but at no less than 31 cents per hundredweight, minimum weight 45,000 pounds, shipper load and consignee unload, for the account of George D. Widman Co.

2. A hearing will be scheduled in the matter for final disposition thereof.

3. The authority granted herein shall expire six months after the effective date of this order unless sooner canceled, modified, or extended.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 12th
day of SEPTEMBER, 1973.

William J. Sykes President
W. J. Sykes
W. J. Sykes
W. J. Sykes
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.