

ORIGINAL

Decision No. 81952

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application
of ROBERT B. COKER, an individual,
for authority to deviate from minimum
rates for transportation of light-
weight aggregate (shale) from Port
Costa, California, to Sacramento and
Galt, California, for Rhodes & Jamison.

Application No. 54190
(Filed July 19, 1973)

O P I N I O N

Applicant seeks an ex parte order from the Commission under the provisions of Section 3666 of the Public Utilities Code, authorizing the transportation of lightweight aggregate (shale) in dump truck equipment from Port Costa to Sacramento and Galt for Rhodes & Jamison at less than minimum rates established for such transportation. Notice of the application was published in the Commission's Daily Calendar for July 24, 1973. No protests have been received. A public hearing is not necessary.

The verified application shows that Robert B. Coker holds a radial highway common carrier permit and a dump truck permit from this Commission. Applicant proposes to haul lightweight aggregate (shale) as a backhaul at less than the minimum rates. This backhaul and the rates thereon are predicated upon an outbound movement of clay, in dump trucks at the minimum rates (or higher), for Port Costa Products Company from Lincoln to Port Costa. Port Costa Products Company is a wholly owned subsidiary of Rhodes & Jamison. Applicant has, for a period of years, transported the clay for Port Costa Products Company. Rhodes & Jamison has been transporting lightweight aggregate in its own trucks from Port Costa to Sacramento and Galt. Rhodes & Jamison is desirous of having applicant perform the transportation of lightweight aggregate, but will continue to haul the aggregate in its own trucks and also take over the clay

haul if applicant is not granted the deviation from the minimum rates. The clay haul results in approximately one-third of applicant's total revenues and is extremely important to him. During 1972 applicant hauled 950 loads of clay from Lincoln to Port Costa. The proposed backhaul will match these loads, 710 of which will go to Sacramento and 240 to Galt. Any additional loads of shale will be hauled at the minimum rates.

The minimum rate for the transportation of lightweight aggregate from Port Costa to Sacramento and Galt is \$3.26 per ton (minimum weight 18 tons). Applicant proposes to charge \$2.30 per ton (minimum weight 40,000 pounds) to Sacramento, and \$2.45 per ton (minimum weight 40,000 pounds) to Galt.

Applicant presented a cost study of the proposed transportation. This study shows that on the combined movement of clay in one direction and lightweight aggregates in the other direction an operating ratio of 76.9 percent can be reasonably expected on the Lincoln-Port Costa-Sacramento transportation and an operating ratio of 83.3 percent on the Lincoln-Port Costa-Galt transportation.

The financial statements attached to the application show that applicant had a net worth of \$68,286 as of December 31, 1972, and his operations produced a net income of \$31,507 for the year 1972 after provision of \$18,000 for applicant's salary.

Findings

1. The projected operations will produce operating ratios of 76.9 percent and 83.3 percent, when combined with the transportation moving under minimum rates.
2. The proposed deviation from the minimum rates is reasonable.

Conclusions

1. The application should be granted.
2. Because the conditions under which the transportation is to be performed may change, the authority to be granted should be

limited to a period of one year unless sooner canceled, modified, or extended by order of the Commission.

O R D E R

IT IS ORDERED that:

1. Robert B. Coker, an individual, is authorized to depart from the minimum rates set forth in Minimum Rate Tariff 7 by charging rates 96 cents and 81 cents per ton less than the applicable minimum rate of \$3.26 per ton (minimum weight 18 tons) for the transportation of lightweight aggregate (shale) in dump trucks from Port Costa to Sacramento and Galt, subject to the conditions and limitations set forth in Appendix A attached hereto and by this reference made a part hereof.

2. The authority granted herein shall expire one year after the effective date hereof unless sooner canceled, modified, or extended by order of the Commission.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 2nd
day of OCTOBER, 1973.

William Lyons President
[Signature]
[Signature] Commissioners

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

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

APPENDIX A

Schedule of Rates

Carrier: Robert B. Coker, an individual

Shipper: Rhodes & Jamison

Commodities: Lightweight aggregate (shale)

Origin: Port Costa Products Company
1.3 miles south on Old Highway No. 21
of the town of Port Costa, CA

Destinations: (a) Hokanson Building Block Company
4751 Power Inn Road
Sacramento, CA

(b) Crystalite Block Company
One-fourth mile south of "C" Street
over-crossing on Fairway Drive,
Galt, CA

Rates: To destination (a):
\$2.30 per ton (minimum weight 40,000 pounds)

To destination (b):
\$2.45 per ton (minimum weight 40,000 pounds)

Notes Regarding Application of Rates

1. Rates apply only when carrier has transported outbound for Port Costa Products Company, a load of clay from Lincoln Clay Products Company, 1.5 miles north of Lincoln, California, on California Highway 99E to Port Costa Products Company.