

ORIGINALDecision No. 81998

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Hillery D. Cargile,)
doing business as Dean Transfer)
Service for authority to deviate)
from Minimum Rate Tariff No. 7,)
Slag, Cement Clinker.)

Application No. 54210
(Filed July 30, 1973)

INTERIM OPINION AND ORDER

Applicant Hillery D. Cargile, doing business as Dean Transfer Service, requests authority to deviate from the applicable minimum rates in Minimum Rate Tariff 7 for the transportation of cement clinker under its dump truck carrier permit between San Andreas and The Flintkote Company plant located at Redding on shipments with a minimum weight of 50,000 pounds. The applicable rate is 36.3¢ per 100 pounds, minimum weight 46,000 pounds. Applicant proposes to charge 28¢ per 100 pounds, minimum weight 50,000 pounds. Applicant asserts that Flintkote is presently making the subject haul with its own equipment; that Flintkote anticipates an increase in the subject traffic of sufficient volume to where it is weighing the economies of adding equipment to its fleet versus turning over the haul to for-hire carriage; that Flintkote is financially able to add the necessary equipment to its fleet, but that Flintkote is desirous of phasing out its vehicles used in the haul in favor of using for-hire carriage at the rates proposed by applicant.

Applicant anticipates that the haul under the requested deviation will amount to two loads per day, and will continue for a minimum of twelve months. Shipments will be loaded by the consignor and gravity unloaded. Applicant states that he is regularly making hauls from Redding to San Andreas and that the majority of hauls will be back-hauls, generating substantial revenue otherwise lost to any carrier. The move to Redding will entail no stops in transit to load or unload, no split deliveries or other special services. Applicant estimates that his costs for making the haul will total \$135.20 per trip: \$72 for fuel, lubricants, insurance, tires, and indirect taxes; \$42.10 for labor; and \$21.10 for overhead costs. A 50,000-pound load will gross applicant \$140.

Applicant submitted a financial statement of his truck operations which shows that he netted \$10,033 for the year ended April 30, 1973, and a personal balance sheet as of April 30, 1973 which shows that he had a net worth of \$134,224. Applicant operates two tractors and two trailers.

The certificate of service shows that a copy of the application was served on the California Trucking Association. The application was noticed in the Commission's Daily Calendar of August 1, 1973. No objections have been received to the proposal.

After consideration the Commission finds that, subject to further consideration of evidence which may be adduced at a public hearing, the rates proposed to be charged are reasonable; that the application should be granted on an interim basis; and that the authority granted should be limited to a period of six months.

IT IS ORDERED that:

1. Hillery D. Cargile, doing business as Dean Transfer Service, is authorized to charge less than the applicable minimum rates for the transportation of cement clinker from San Andreas to the plant site

of The Flintkote Company at Redding but not less than the rate of 28¢ per 100 pounds, minimum weight 50,000 pounds per shipment per unit of equipment, shipper load and gravity unload.

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

3. A public hearing shall be scheduled in this proceeding for the receipt of evidence on the application and full disposition thereof.

The effective date of this order is the date hereof.

Dated at Los Angeles, California, this 16th day of OCTOBER, 1973.

William L. Steyer
President

William J. J. J.

[Signature]

Commissioners

Commissioner J. P. Vukasin, 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.