

Decision No. 82319**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LCR TRUCK & EQUIP-  
MENT 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)

Ruth Tunis, for herself and LCR Truck &  
Equipment Co., applicant.  
R. W. Smith, Attorney at Law, A. D. Poe,  
Attorney at Law, and H. W. Hughes, for  
California Trucking Association,  
interested party.  
Frank M. Nyulassy, for the Commission staff.

#### OPINION AND ORDER

Applicant Ruth Tunis, a radial highway common carrier and a highway contract carrier doing business as LCR Truck and 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. At the request of applicant we granted interim authority in Decision No. 81861 dated July 5, 1973 to perform the requested transportation at the proposed rates pending further consideration and evidence which may be adduced at a subsequent hearing. That hearing was held in Los Angeles on November 28, 1973 before Examiner Pilling. Notice of the filing of the application was served on the California Trucking Association and was published in the Commission's Daily Calendar of July 11, 1973. No protests were received to the granting of the application. At the hearing the California Trucking Association and a representative of the Commission's staff appeared and assisted in the development of the record.

The commodities applicant intends to haul at less than the applicable minimum rates are two articles, one of which is described in the governing classification under Item 106140 as Class 35, minimum weight 36,000 pounds, and the other in Item 13240 as Class 35, minimum weight 40,000 pounds. The applicable rate for the move found in Minimum Rate Tariff 2 is 49 cents per hundred pounds. Applicant proposes to charge 31 cents per hundred pounds, minimum weight 45,000 pounds. Applicant estimates from the 45 moves of the subject commodities between the involved points she assertedly made during a 25-week period ending November 5, 1973 that the annual total tonnage she will be hauling will be 3,788,744 pounds, or an average of 1.8 loads per week.

The move involves a total of 118 miles from point of dispatch at her terminal to point of return at the same terminal. 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 no accessorial services will be performed in connection with the moves by her company. Since September 1973 applicant has moved a total of 18 loads under the interim rate deviation authority previously referred to from which she grossed a total of \$2,287.23 incurring total costs of \$1,200.72 for an operating ratio of 52.49%. Details underlying those total costs were supplied by applicant in Exhibit 1 introduced at the hearing. One of the moves costed out by applicant in Exhibit 1--that occurring on October 8, 1973 involving a 46,002 pound shipment--shows the following:

Driver's wages (5-3/4 hrs. x \$5.76)	\$33.12
Vehicle's fixed cost (5-3/4 hrs. x \$2.003)	10.29
Vehicle's running cost (118 miles)	10.34
Total direct costs	<u>\$53.75</u>
Indirect costs	23.01
Revenue costs	1.26
Total operating costs	<u>\$78.02</u>
Gross operating revenue	\$142.61
Operating ratio	54.7%

Applicant's balance sheet as of September 30, 1973 shows that the company had a net worth of \$80,540. For the nine months ending September 30, 1973 applicant's profit and loss statement showed that the company grossed \$202,475 and had a net profit of \$18,782.

Upon consideration the Commission finds that the rates proposed to be charged are compensatory; that the application should be granted in the manner set forth in the ensuing order; and that since transportation conditions may change, the authority granted should be made subject to an expiration date of one year from the effective date of this order.

IT IS ORDERED that:

1. Ruth Tunis, an individual doing business as LCR Truck and Equipment Co., is 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 George D. Widman Co. at Gardena, but at no less than 31 cents per hundred pounds, minimum weight 45,000 pounds, shipper load and consignee unload, for the account of George D. Widman Co.

2. The authority granted herein shall expire one year from the effective date of this order.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 8<sup>th</sup>  
day of JANUARY 1974.

Vermon L. Stevens  
President  
William J. Synovall  
William J. Synovall  
William J. Synovall  
Commissioners