

ORIGINALDecision No. 83483

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the application of Devine & Son }
Trucking Co. for deviation from }
the rates named in MRT No. 2. for }
the transportation of Roofing, }
Building and Paving materials. }

Application No. 54991
(Filed June 24, 1974;
amended August 12, 1974)

O P I N I O N

Devine and Son Trucking Company, operating as a highway permit carrier, requests authority to deviate from the governing provisions of Minimum Rate Tariff 2 (MRT 2) for the transportation of asphalt, roofing, and wallboard products from Fremont, Pittsburg, Richmond, San Leandro, Martinez, and Union City to points located within the Sacramento and North Sacramento extended areas for the Ford Wholesale Co., Inc.

Applicant states that the shipper, a distributor of roofing and building materials, has for the past three years been performing its own transportation with leased equipment. The shipper now desires to tender its traffic to applicant providing the sought authority is granted. For its services applicant proposes to assess 52 percent of the Class 35 rate named in MRT 2 for constructive distance over 80 but not over 90 miles subject to the following conditions:

1. Minimum weight: 50,000 pounds per unit of equipment, minimum 100,000 pounds per day.
2. Rates and charges to be prepaid by Ford Wholesale Co., Inc.
3. Shipments must be palletized, loaded and unloaded mechanically at no expense to carrier.
4. Shipments to be transported on open flatbed equipment.
5. Shipments to be released to one-half of actual value or 50 cents per pound, per article, whichever is less.
6. All other provisions of MRT 2 shall apply.

In support of the sought relief applicant submitted the following cost data:

TABLE I

Development of Hauling Cost - From East Bay Points to Sacramento Area
(Two Round Trips Per Day)

Length of Haul (Average 90 Miles one way)	180
Round Trip Distance (for two round trips)	360
Round Trip Time	8 hours
Loading and Unloading Time	7 hours
Total Time Per Day	15 hours
<u>Cost Per Day</u>	
Fixed Expense Per hour (15 x \$1.0260)	\$ 15.39
Labor Expense Per hour (15 x 7.3310)	109.97
Running Expense Per mile (360 x .1899)	68.36
Bridge Tolls (Two)	<u>6.00</u>
Total Direct Expenses .	\$199.72
Indirect Expense 17.50%	34.95
Gross Revenue Expense 3.65%	<u>11.23</u>
Total Cost Per Day	\$245.90
Total Revenue Per Day @ Proposed Rate (Proposed rate 59¢ x 50,000 x 52% x 2)	\$306.80

Table I shows that under the proposed rate the transportation service to be performed by applicant for the Ford Wholesale Co., Inc. will be profitable. Applicant's balance sheet dated March 31, 1974 also indicates it has the capacity and financial ability to perform the contemplated transportation service.

A copy of the application was furnished to the California Trucking Association. The application was listed on the Commission's Daily Calendar for June 26, 1974. No objection to the granting of the sought ex parte relief has been received.

Findings

1. The favorable circumstances attendant to the transportation to be performed by applicant for the Ford Wholesale Co., Inc. are not generally present in the usual or ordinary transportation services performed by highway carriers under the governing provisions of MRT 2.

2. Applicant's rate proposal for the transportation service it contemplates performing for the Ford Wholesale Co., Inc. has been shown to be reasonable, and is compensatory. ✓

Conclusions

1. The ex parte authority sought in Application No. 54991, as amended, should be granted.

2. Since transportation conditions may change, the authority should be made subject to an expiration date of approximately one year.

3. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Devine & Son Trucking Company is authorized to transport roofing and related commodities for Ford Wholesale Co., Inc. from and to the points and at the rate specified in Appendix A attached hereto and by reference made a part hereof.

2. The authority granted herein shall expire with October 1, 1975 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 24th
day of SEPTEMBER, 1974.

Vernon L. Stinson
President
William J. Moran
F. J. Vukobratovic
Thomas Moran
Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

Carrier: Devine and Son Trucking Company

Shipper: Ford Wholesale Co., Inc.

Commodities: Asphalt, roofing materials and wallboard named in National Motor Freight Classification 100-A issued December 28, 1973 and effective March 29, 1974, viz.:

Item No. 15200 through 15440 (Asphalt)
Item No. 170000 through 170590 (Roofing Materials)
Item No. 193640 through 193962 (Wallboard)

Points of Origin:

<u>Industrial Plants</u>	<u>Location</u>
United States Gypsum Co.	Fremont, California
Bird & Son Co.	Martinez, California
Johns-Manville Corp.	Pittsburg, California
Certain-Teed Products Corp.	Richmond, California
Flintcoat Corp., and Latry Roofing Co.	San Leandro, California
Celo Tex Corp.	Union City, California

Destination: Points located within the Sacramento and North Sacramento extended areas as described in the Commission's Distance Table.

Rate: 52 percent of the Class 35 rate named in Item 507 of Minimum Rate Tariff 2, including applicable supplements thereto, for constructive distances over 80 but not over 90 miles.

Minimum Weight: 50,000 pounds per unit of equipment, minimum 100,000 pounds per day.

Qualifications:

- A. Rates and charges to be prepaid by Ford Wholesale Co., Inc.
- B. Shipments must be palletized, and loaded and unloaded mechanically at no expense to carrier.
- C. Shipments to be transported on open flatbed equipment.
- D. Shipments to be released to one-half of actual value or 50 cents per pound, per article, whichever is less.
- E. Split delivery service shall not apply.
- F. All other provisions of Minimum Rate Tariff 2 shall apply.