

ALJ/rr/jn

Decision 84 07 015

JUL 5 1984

**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation  
for the purpose of considering and  
determining minimum rates for  
transportation of sand, rock, gravel,  
and related items in bulk, in dump  
truck equipment between points in  
California as provided in Minimum  
Rate Tariff 7-A and the revisions or  
reissues thereof.

Case 5437  
Petition for Modification 321  
(Filed March 20, 1984;  
amended June 6, 1984)

Case 9819  
Petition for Modification 67  
(Filed March 20, 1984)

And Related Matters.

Case 9820  
Petition for Modification 23  
(Filed March 20, 1984)

O P I N I O N

By these petitions, as amended, California Dump Truck Owners Association (CDTOA) requests increases in the rates and charges contained in Minimum Rate Tariffs (MRTs) 7-A, 17-A, and 20. These tariffs name rates for commodities transported in dump truck equipment.

Notice of filing of the petitions appeared in the Commission's Daily Transportation Calendar of March 28, 1984. No protest has been received.

Background

Rates presently stated in MRTs 7-A, 17-A, and 20 are based, in part, upon datum plane costs developed in Case (C.) 5437, Order Setting Hearing (OSH) 213 in 1971. By Decisions (D.) 82-10-028, 82-10-029 and 82-10-030 dated October 6, 1982 rates in these tariffs were increased to present levels. CDTOA had requested increases larger than we granted. We stated in those decisions that we would

have authorized larger increases--approximating those requested--but for the poor state of the economy. We found that the increases requested, based upon a cost development methodology held reasonable in many prior dump truck proceedings, were accurate, and that rate increases based upon that methodology would be appropriate but for the greatly reduced level of economic activity besetting the construction industry. Therefore, increases of 5 percentage points were authorized based largely upon representative industry operating ratio data, rather than the traditional cost development methodology.

CDTOA now requests that the rates in these tariffs be increased to levels reflecting costs developed under the traditional offset methodology. The petitioner asserts that all economic indicators show that the recession which had severely affected the construction industry is no longer a factor, and that current rates are no longer reasonable when compared with updated costs developed in a manner consistent with past proceedings.

In Appendix A to Petition 321 CDTOA has furnished updated estimated costs for labor, as well as for vehicle running and vehicle fixed expenses. Labor costs have been modified to show contract and statutory changes as of January 1, 1984. Fuel expenses have been decreased to \$1.09 per gallon, as set forth in the Commission's Fuel and Oil Report dated November 1, 1983. Tire costs are those from Exhibit 2 in C.5437, Petition 314 (1981). Repair costs are those shown in C.5437, Pet. 307 (1979). Vehicle fixed costs are those contained in Commission Report 511-27, showing historical equipment investment costs through 1980.

Rates proposed by CDTOA based upon these newly developed costs represent increases ranging from 3.0% to 7.7% in the hourly rates named in Item 390 of MRT 7-A and between 6.0% (Northern Territory) to 8.0% (Southern Territory) in connection with distance rates named in Item 290.

Cost estimates furnished in connection with the petitioner's requests for increasing rates in MRT 17-A and MRT 20 have been calculated in a manner similar to those used in increasing MRT 7-A rates. These costs support rate increases of between 5% and 10% in MRT 17-A and 10% in MRT 20.

The petitioner has requested that increases granted be added to the amounts presently shown in the surcharge supplements, except in the case of the widely used hourly rates named in Item 390 of MRT 7-A, where it requests that all increases be folded into the rates.

The staff concurs with CDTOA's requests except for the increase of 10% sought in connection with the Los Angeles area zone rates for rock, sand, and gravel named in MRT 17-A. Staff recommended that this particular increase be held to 9%, and so indicated in its Advice of Participation, a copy of which was sent to the petitioner. CDTOA has agreed to this.

Findings of Fact

1. MRTs 7-A, 17-A, and 20 contain minimum rates for the transportation of commodities in dump truck equipment. MRT 7-A contains mainly hourly and distance rates. MRTs 17-A and 20 contain zone rates.

2. Rates in MRTs 7-A, 17-A and 20 were last generally adjusted by D.82-10-028, 82-10-029 and 82-10-030, respectively. Those rates became effective October 17, 1982. Increases greater than those ordered would have been granted but for the reduced level of economic activity occurring in the construction industry.

3. Economic indicators show that the recession formerly affecting the construction industry has ceased to be a factor.

4. Since the issuance of the decisions referred to in Finding 2 the dump truck transportation industry has continued to experience increased operating costs. These costs have been developed and measured by CDTOA using offset methodology found reasonable by the Commission.

5. Increases in rates are necessary for dump truck carriers to be able to earn reasonable levels of revenues under MRTs 7-A, 17-A, and 20.

6. The increases requested by CDTOA and discussed in this decision, except for the limit of 9% in MRT 17-A on rock, sand, and gravel rates applicable in the Los Angeles area, will result in reasonable rates for use by dump truck carriers in performing transportation under MRTs 7-A, 17-A and 20.

7. Due to the demonstrated need by dump truck carriers performing transportation services under rates in MRTs 7-A, 17-A, and 20 for rate relief, the effective date of this decision should be today.

Conclusions of Law

1. MRTs 7-A, 17-A, and 20 should be amended to conform to our findings above. These rates are just and reasonable.

2. MRTs 17-A and 20 should be amended by separate orders to avoid duplication of tariff distribution.

O R D E R

IT IS ORDERED that;

1. MRT 7-A (Appendix B to D.82061, as amended) is further amended by incorporating the attached revised tariff pages listed in Appendix A, to become effective July 9, 1984.

2. Common carriers subject to the Public Utilities Act, to the extent that they are subject also to D.82061, as amended, are directed to establish in their tariffs the increases necessary to conform with further adjustments ordered by this decision.

3. Tariff publications required to be made by common carriers as a result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than the effective date of the tariff pages attached.

4. Common carriers, in establishing and maintaining the rates authorized by this order, are authorized to depart from the provisions of PU Code § 461.5 to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are modified to the extent necessary to comply with this order; and schedules containing the rates published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

5. In all other respects, D.82061, as amended, shall remain in full force and effect.

6. The Executive Director shall serve a copy of this decision on every common carrier, or such carriers' authorized tariff publishing agents, performing transportation services subject to MRT 7-A.

7. The Executive Director shall serve a copy of the tariff amendments on each subscriber to MRT 7-A.

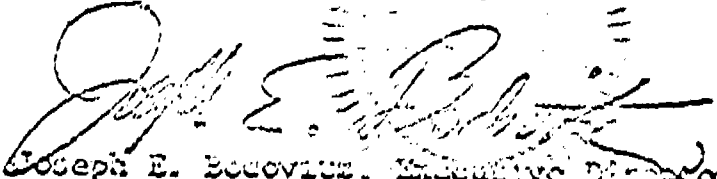
8. Petition for Modification 321 in Case 5437, as amended, is granted to the extent set forth above.

This order is effective today.

Dated JUL 5 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL  
WILLIAM T. BAGLEY  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bocovius, Executive Director

APPENDIX A

LIST OF SUPPLEMENT AND REVISED PAGES  
TO MINIMUM RATE TARIFF 7-A

SUPPLEMENT 22

THIRD REVISED TITLE PAGE

FIRST REVISED PAGE 1

SEVENTH REVISED PAGE 6

SEVENTH REVISED PAGE 7

ELEVENTH REVISED PAGE 40

ELEVENTH REVISED PAGE 41

(END OF APPENDIX A)

SURCHARGE SUPPLEMENT

SUPPLEMENT 22

(Cancels Supplement 21)  
(Supplements 9 and 22 Contain All Changes)

TO  
MINIMUM RATE TARIFF 7-A  
  
NAMING  
MINIMUM RATES AND RULES  
FOR THE  
TRANSPORTATION OF PROPERTY IN DUMP TRUCK  
EQUIPMENT BETWEEN POINTS IN CALIFORNIA

BY  
  
HIGHWAY CONTRACT CARRIERS  
AGRICULTURAL CARRIERS  
AND  
DUMP TRUCK CARRIERS

Decision No.

84 07 015

EFFECTIVE JUL 9 - 1984

Issued by the  
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
State Building, Civic Center  
San Francisco, California 94102



## ◊ APPLICATION OF SURCHARGE

Except as otherwise provided, compute the amount of charges in accordance with the rates and rules of this tariff and increase the amount so computed as follows:  
(See Exception)

1. By thirty and one-half (30-1/2) percent on charges computed at rates provided in Items 290, 300, 310, 320, 325, 330, and 340 for Southern Territory; and Items 480 and 490;
2. By twenty-eight and one-half (28-1/2) percent on charges computed at rates provided in Items 290, 300, 310, 320, 325, 330, and 340 for Northern Territory; and Items 530, 540, 550 and 560;
3. By nineteen (19) percent on charges computed at Column O rates set forth in Item 400;
4. By twenty and three-quarters (20-3/4) percent on charges computed at Column P rates set forth in Item 400; and
5. By twenty-two and one-half (22-1/2) percent on all other rates and charges.

For purposes of disposing of fractions under provisions hereof, fractions of less than one-half (1/2) cent shall be dropped and fractions of one-half (1/2) cent or greater shall be increased to the next higher whole cent.

EXCEPTION: The surcharge herein shall not apply to:

1. Item 90 - Accessorial charges;
2. Item 100 (Railhead-to-railhead charges only);
3. Item 120 - Bridge and Ferry Tolls;
4. Item 260 - Additional charge for service.
5. Item 390 - Hourly rates.

THE END

MINIMUM RATE TARIFF 7-A

MAKING  
MINIMUM RATES AND RULES

FOR THE  
TRANSPORTATION OF PROPERTY IN DUMP TRUCK  
EQUIPMENT BETWEEN POINTS IN CALIFORNIA

BY

\*\*

HIGHWAY CONTRACT CARRIERS

AGRICULTURAL CARRIERS

AND

DUMP TRUCK CARRIERS

The original tariff contains rates and rules established in Decision No. 82061 in Case No. 3437. Changes contained in subsequent orders will be made by reissuing the pages on which the changes occur or by issuing supplements showing the corrected items.

\*\*Eliminated, Decision No.

84 C7 015

JUL 9 - 1984

EFFECTIVE  
(Original Tariff Effective January 19, 1974)

Correction

Issued by the  
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
State Building, Civic Center  
San Francisco, California 94102

CORRECTION NUMBER CHECKING SHEET

THIS TARIFF IS ISSUED IN LOOSE-LEAF FORM. CORRECTION NUMBERS APPEARING ON ALL ADDED AND REVISED PAGES WILL BE SHOWN CONSECUTIVELY IN THE LOWER LEFT-HAND CORNER. THESE CORRECTION NUMBERS SHOULD BE CHECKED BELOW ON THIS CHECK SHEET BEFORE PAGES ARE FILED IN TARIFF.

CORRECTION NUMBERS

351	406	461	516	571	626	681
352	407	462	517	572	627	682
353	408	463	518	573	628	683
354	409	464	519	574	629	684
355	410	465	520	575	630	685
356	411	466	521	576	631	686
357	412	467	522	577	632	687
358	413	468	523	578	633	688
359	414	469	524	579	634	689
360	415	470	525	580	635	690
361	416	471	526	581	636	691
362	417	472	527	582	637	692
363	418	473	528	583	638	693
364	419	474	529	584	639	694
365	420	475	530	585	640	695
366	421	476	531	586	641	696
367	422	477	532	587	642	697
368	423	478	533	588	643	698
369	424	479	534	589	644	699
370	425	480	535	590	645	700
371	426	481	536	591	646	701
372	427	482	537	592	647	702
373	428	483	538	593	648	703
374	429	484	539	594	649	704
375	430	485	540	595	650	705
376	431	486	541	596	651	706
377	432	487	542	597	652	707
378	433	488	543	598	653	708
379	434	489	544	599	654	709
380	435	490	545	600	655	710
381	436	491	546	601	656	711
382	437	492	547	602	657	712
383	438	493	548	603	658	713
384	439	494	549	604	659	714
385	440	495	550	605	660	715
386	441	496	551	606	661	716
387	442	497	552	607	662	717
388	443	498	553	608	663	718
389	444	499	554	609	664	719
390	445	500	555	610	665	720
391	446	501	556	611	666	721
392	447	502	557	612	667	722
393	448	503	558	613	668	723
394	449	504	559	614	669	724
395	450	505	560	615	670	725
396	451	506	561	616	671	726
397	452	507	562	617	672	727
398	453	508	563	618	673	728
399	454	509	564	619	674	729
400	455	510	565	620	675	730
401	456	511	566	621	676	731
402	457	512	567	622	677	732
403	458	513	568	623	678	733
404	459	514	569	624	679	734
405	460	515	570	625	680	735

EFFECTIVE JUL 9 - 1984

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,  
 SAN FRANCISCO, CALIFORNIA.

Correction

## MINIMUM RATE TARIFF 7-A

SECTION 1--RULES	ITEM
<p><b>DEFINITION OF TECHNICAL TERMS</b></p> <p><b>BATCHING PLANT</b> means an installation (structure and appurtenant storage area) at which the ingredients for the production of concrete are received, stored, weighed, batched and subsequently transported therefrom.</p> <p><b>CARRIER</b> means a ** highway common carrier, a highway contract carrier, an agricultural carrier, or a dump truck carrier as defined in the Highway Carriers' Act.</p> <p><b>COMMERCIAL PRODUCING PLANT</b> means an installation (structure and appurtenant storage area) at which rock, sand, and/or gravel are processed as to size and/or grade and placed in stockpiles or bunkers.</p> <p><b>COMMISSION</b> means the Public Utilities Commission of the State of California.</p> <p><b>COMMON CARRIER RATE</b> means any intrastate rate or rates of any common carrier or common carriers, as defined in the Public Utilities Act, lawfully on file with the Commission and in effect at time of shipment.</p> <p><b>CONSIGNEE</b> means the person, firm or corporation to whom the property is to be physically delivered by the carrier.</p> <p><b>CONSIGNOR</b> means the person, firm or corporation from whom the property was physically received by the carrier for transportation.</p> <p><b>DEBTOR</b> means the person(s) and/or corporation(s) obligated to pay a freight charge of a carrier. It also includes an overlying carrier utilizing service(s) of an underlying carrier.</p> <p><b>DISTANCE TABLE</b> means Distance Table 8 issued by the Commission.</p> <p><b>DISTRIBUTING YARD</b> means an area for storage of rock, sand, gravel, or cold road oil mixture (commonly called "plant mix") in piles, bins, silos or bunkers.</p> <p><b>DRY MIXTURES OF SAND, AND/OR GRAVEL AND/OR CRUSHED STONE (WITH OR WITHOUT CEMENT) IN BATCHES</b> means a shipment of said mixture transported in dump truck equipment provided with one or more batch gates permitting the loading and unloading of a portion or portions of the shipment separately from the other portion or portions of the shipment. #10</p> <p><b>DUMP TRUCK EQUIPMENT</b> means any motor vehicle (including component trailing equipment) as defined in the Highway Carriers' Act, which discharges its load by gravity either (a) in conjunction with mechanical or pneumatic (induction of air used to speed gravitation) means that are an integral part of the vehicle, or (b) by opening all or a portion of the bottom, sides or end, or (c) by combination of (a) and (b). It does not include a motor vehicle engaged in the transportation of concrete mechanically mixed in transit or equipment which is unloaded by air pressure in defiance of gravity.</p> <p><b>EARTH</b> includes dirt, loam, silt or soil, individually or in any combination. It also includes miscellaneous material such as stone, rock, tree stumps, and broken concrete in combination with earth when such material does not exceed 50 percent of the total volume of the shipment.</p> <p><b>FREIGHT CHARGE</b> means a charge which applies pursuant to provisions of this tariff for any service(s) performed by a carrier.</p> <p><b>HOT PLANT</b> means a fixed installation for the heating of road oil or asphalt and the mixing of such heated oil or asphalt with rock, sand and any other ingredients to produce cold road oil mixture ("plant mix") or asphaltic concrete ("hot stuff").</p> <p><b>MAXIMUM ALLOWED LOAD</b> means the maximum total gross weight with load in pounds permitted under the provisions of Section 35551 of the California Vehicle Code, based on a distance between the first and last axles of 36 feet or over.</p>	
<p>(Continued)</p>	
<p>§ Change ** Eliminated</p>	<p>) Decision No. 84 07 015</p>
<p>EFFECTIVE JUL 9 - 1984</p> <p>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p> <p>Correction</p>	

ITEM

## SECTION 1--RULES (Continued)

## DEFINITION OF TECHNICAL TERMS (Continued)

**OVERLYING CARRIER (PRINCIPAL CARRIER)** means a carrier which contracts with a shipper to provide transportation service for the latter, but which carrier in turn employs another carrier, known as the Underlying Carrier (independent-contractor subhauler), to perform that service. (See Note.)

**NOTE.**--The term "Overlying Carrier" also includes an underlying carrier which employs another carrier to perform transportation service.

**POINT OF DESTINATION** means the precise location at which a shipment is tendered for physical delivery into the custody of the consignee or his agent. It includes all locations within 300 feet of the point at which physical delivery of said shipment is initiated.

**POINT OF ORIGIN** means the precise location at which a shipment is physically delivered by the consignor or his agent into the custody of the carrier for transportation. Except for transportation subject to paragraph (1) of Item 150, all points within a single commercial producing plant shall be considered as one point of origin. A single commercial producing plant shall include only contiguous property which shall not be deemed separate if intersected by a public street or streets.

**RAILHEAD** means a point at which facilities are maintained for the loading of property into or upon, or the unloading of property from rail cars or vessels. It also includes truck loading facilities of plants or industries located at such rail or vessel loading or unloading point.

**RATE** includes charge, and also the ratings, minimum weight, rules governing, and the accessorial charges applying in connection therewith.

**SAME TRANSPORTATION** means transportation of the same kind and quantity of property and subject to the same limitations, conditions and privileges, although not necessarily transported in an identical type of equipment.

**SEWAGE DISPOSAL PLANT** means a fixed installation in which filtering rock is used for getting rid of sewage.

**SHIPMENT** means a quantity of freight tendered by one consignor on one shipping document at one point of origin for one consignee at one point of destination to be transported at one time in one unit of equipment. (See also exceptions in rule and definition for multiple lot shipment). (1) Shipment does not include the unit of equipment utilized to transport property for which rates are provided in this tariff, nor any trailer, semitrailer or dolly when moved empty in connection with transportation of such commodities (See also exceptions in rule and definition for multiple lot shipment).

**SHIPPER** means the person, firm or corporation (other than a carrier) who arranges with the carrier for the transportation of the property.

**TEAM TRACK** means a point at which property may be loaded into or upon, or unloaded from rail cars by the public generally.

(Continued)

No change on this page, Decision No.

84 07 015

EFFECTIVE JUL 9 - 1984

Correction

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,  
SAN FRANCISCO, CALIFORNIA.

SECTION 3--HOURLY RATES (Continued)  
 In Cents Per Hour

ITEM

COMMODITIES, as described in Items 30, 40 and 60

FROM: Points of Origin in

Number of Axles Per Unit of Equipment	(1) C O L U M N	Northern Territory (See Items 160 and 380)				Southern Territory (See Items 160 and 380)	
		Northern Region	San Francisco Bay Area Region	Southern Region	San Diego Region		
2.	M	3700	4200	4000	4100		
	O	5000	5900	5500	5600		
	P	4200	4900	4500	4600		
3	M	4150	4700	4500	4500		
	O	5500	6400	6000	6300		¢ ¢ 390
	P	4800	5400	5100	5500		
4	M	4300	4800	4800	4800		
	O	5600	6500	6500	6500		
	P	4900	5500	5500	5500		
5 or more	M	4690	5100	5050	5100		
	O	6000	6800	6600	6800		
	P	5300	5900	5700	5800		

(1) See Item 410.

Change ) Decision No. 84 07 015  
 Increase )

EFFECTIVE JUL 9 - 1984

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,  
 SAN FRANCISCO, CALIFORNIA.

Correction

ITEM

SECTION 3--HOURLY RATES (Continued)  
 In Cents Per Hour

COMMODITY, viz.:

Debris: From demolition of buildings and structures.

For Application of Rates see Notes 1 and 2.

Level Capacity of Dump Truck Body In Cubic Yards (See Note 1)		Northern Territory (See Item 160)			Kern and San Luis Obispo Counties			Southern Territory (See Item 160) Except Kern and San Luis Obispo Counties
Over	But Not Over	(1) Columns			(1) Columns			
		M	O	P	M	O	P	
0	6	2661	3810	3205	2447	3412	2930	2348
6	7	2774	3866	3322	2539	3504	3023	2435
7	8	2886	3992	3442	2630	3595	3114	2518
8	9	2997	4120	3558	2723	3687	3204	2599
9	10	3109	4246	3678	2815	3780	3296	2684
10	11	3221	4371	3795	2906	3869	3388	2767
11	12	3287	4438	3862	2970	3934	3453	2830
12	13	3352	4504	3929	3036	3997	3521	2895
13	14	3421	4570	3996	3103	4058	3587	2958
14	15	3485	4636	4062	3167	4122	3654	3022
15	16	3554	4697	4127	3231	4185	3719	3086
16	17	3602	4754	4179	3281	4248	3773	3149
17	18	3649	4806	4229	3330	4309	3826	3214
18	19	3699	4858	4279	3381	4369	3883	3277
19	20	3747	4907	4330	3429	4431	3937	3342
20	21	3796	4960	4379	3480	4492	3992	3394
21	22	3831	4995	4413	3521	4543	4037	3457
22	23	3864	5027	4448	3563	4591	4082	3520
23	24	3899	5062	4482	3604	4642	4129	3581
24	25	3933	5095	4514	3647	4691	4174	3645
25	26	3966	5127	4547	3688	4743	4221	3706
26	(2)	30	29	30	30	30	30	46

(1) See Item 410.

(2) Add to the rate for 26 cubic yard capacity, the amount shown opposite this reference mark for each additional cubic yard or fraction thereof.

NOTE 1.--Level capacity of dump truck body means the cubical content of the body (including the bodies of all trailers, or semitrailers in the unit of equipment) in cubic yards calculated by multiplying the inside length by the average inside width and the average inside height of the sides of the body, including temporary side boards and end boards, if such boards are used, with no allowance for the crown of the load or for low headboard or low tailgate.

In the case of a dump truck body not constructed for use of a tailgate (such as the so-called "rock body"), the inside length shall be deemed to mean the average of the measurement along the top of the sides from the inside of the headboard to the point of the angle where the sides are diverted downward to meet the floor, and the measurement along the floor from the inside of the headboard to the end of the body.

NOTE 2.--In Del Norte, Humboldt, Lassen, Modoc, Shasta, Siskiyou, Tehama and Trinity Counties, Subcolumn "P" rates shall also apply for all time, except that provided for in Subcolumn "O", during which one driver with one unit of equipment is engaged for service for one shipper in excess of 8 hours in any one shift.

No change on this page, Decision No.

84 07 015

EFFECTIVE JUL 9 - 1991

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,  
 SAN FRANCISCO, CALIFORNIA.

Correction

7. The Executive Director shall serve a copy of the tariff amendments on each subscriber to MRT 7-A.

8. Petition 321, as amended, is granted to the extent set forth above.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.