

Decision No. 89538 OCT 17 1978

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of: )

PROGRESSIVE TRANSPORTATION )  
COMPANY, a California corpora- )  
tion, to deviate from minimum )  
rates, pursuant to Section 3666 )  
of the Public Utilities Code, for )  
the transportation of steel )  
plate, coils and billets for the )  
account of Norris Industries. )

Application No. 58072  
(Filed May 11, 1978)  
(First Amendment Filed  
August 15, 1978)  
(Second Amendment Filed  
September 20, 1978)

OPINION AND ORDER

By this application, Progressive Transportation Company, a corporation, requests authority to deviate from the provisions of Minimum Rate Tariff 2 in connection with the transportation of steel plate, coils and billets for the account of Norris Industries from the plant site of Kaiser Steel Corporation to points in Metropolitan Zones 235, 245 and 247.

The application seeks to extend and modify Decision 86907 in Application 56557, which authorized Progressive Transportation Company to deviate from the Commission's minimum rates for the account of Norris Industries. The present application sets forth the extension sought and details special circumstances and conditions supporting the request to deviate from the rates provided in Minimum Rate Tariff 2.

The application and amendments were listed on the Commission's Daily Calendars of May 18, August 16 and September 25, 1978. The California Trucking Association objected to the ex parte handling of the matter. Applicant had indicated that substantially all of the traffic would be handled by subhaulers. Financial data, as submitted with regard to the subhaulers' participation, were not adequate to determine the reasonableness of the deviation being sought.

Applicant submitted amendments to his application supplying additional cost and traffic flow data. Applicant in his reply stated: that in addition to the named subhaulers, seven units of his fleet were assigned to the traffic for Norris Industries covered by this application.

The amendments to the application and the supplemental information regarding traffic flow has enabled the staff to determine that the transportation may reasonably be expected to be profitable for the applicant and the named subhaulers.

In the circumstances, the Commission finds that applicant's proposal is reasonable. A public hearing is not necessary. The Commission concludes that the application should be granted as set forth in the ensuing order and the effective date of this order should be the date hereof because there is an immediate need for this rate relief.

IT IS ORDERED that:

1. Progressive Transportation Company, a corporation, is authorized to perform the transportation shown in Appendix A attached hereto and by this reference made a part hereof at not less than the rates set forth therein.
2. The authority granted Progressive Transportation Company by Decision 86907, in Application 56557, shall be cancelled and the authority as set forth in Ordering Paragraph 1 shall take the place of the authority granted by Decision 86907.
3. The authority granted herein shall expire one year after the effective date of this order unless sooner cancelled, modified or extended by further order of the Commission.

A. 58072 - mh

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17th  
day of OCTOBER, 1978.

William J. ... President  
Vernon L. ...  
Robert W. ...  
Clair T. ... Commissioners

Commissioner Robert Batinevich, being necessarily absent, did not participate in the disposition of this proceeding.

## APPENDIX A

PROGRESSIVE TRANSPORTATION COMPANY

Shipper: Norris Industries, 5215 South Boyle Avenue  
Los Angeles

Commodities: Steel plate, coils and billets

Origin: Plant site of Kaiser Steel Corporation, Fontana

RATES

<u>Destination</u>	<u>Rates in Cents Per 100 Pounds</u>
Torrance MZ 247	40
Vernon MZ 235	33
Brea MZ 245	33

Minimum Weight: 40,000 pounds (45,000 pounds on and after February 1, 1979)

## CONDITIONS:

1. Shipments to be power loaded and power unloaded at no cost to carrier.
2. All freight charges to be paid by Norris Industries.
3. Rates apply per unit of carrier's equipment.
4. The deviated rates are predicated on the rail freight rates effective as of the date of this order. Any rail freight rate increases effective subsequent to the date of this order shall be applied to the deviated rates herein.
5. Progressive Transportation Company shall also increase the payments to subhaulers using the ratio established by this order when these rail freight rate increases occur.

6. In the event subhaulers are employed, they shall be paid no less than the rates herein without any deduction for use of applicant's trailing equipment, except that Caldera Trucking (T-122,380); Fontana Freight Lines (T-2,797); Guzman Trucking (T-89,276); McLeods Trucking (T-73,110); Fred H. Neims (T-25,633); Paine Trucking (T-120,094); and Verne Tjosaas Trucking (T-106,580), when employed as subhaulers shall be paid no less than the following:

27¢ per 100 pounds to Torrance	MZ 247
22¢ per 100 pounds to Vernon	MZ 235
22¢ per 100 pounds to Brea	MZ 245

Payments to be based upon a minimum weight of 40,000 pounds (45,000 pounds on and after February 1, 1979) or actual weight, whichever is greater per unit of equipment.

7. In addition to transportation of a shipment under deviated rates herein, a subhauler shall be tendered not less than one more additional shipment within eight (8) hours of the tender of the first shipment, which latter shipment may or may not move under the above deviated rates.
8. In all other respects the rates and rules set forth in Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)