

ORIGINAL

Decision No. 89788 DEC 19 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of VINCENT GANDUGLIA TRUCKING, a corporation, for an order authorizing departure from the rates, rules and regulations of Minimum Rate Tariff No. 2 in connection with transportation of aluminum or copper electric wire and cable for REYNOLDS METALS COMPANY.

Application No. 57856
(Filed February 8, 1978)

Loughran & Hegarty, by Thomas M. Loughran, Attorney at Law, for applicant.
C. D. Gilbert, for California Trucking Association, interested party.
Harry E. Cush, for the Commission staff.

O P I N I O N

Applicant, a radial highway common carrier and a highway contract carrier, seeks authority to assess less than the minimum rates set forth in Minimum Rate Tariff 2 (MRT 2) for the transportation of aluminum or copper electric cable and wire for Reynolds Metals Company (Reynolds) from Reynolds' facility at Fresno to final destination points located in the Los Angeles Mileage Territory; or the San Francisco Bay Mileage Territory (except points in Marin, Sonoma, and Napa Counties); or in Yolo, Sutter, Yuba, Sacramento, or San Joaquin Counties. Final destination means the point of destination to which mileage would be calculated for a split delivery shipment pursuant to Item 171 of MRT 2.

Public hearing was held before Administrative Law Judge O'Leary at Fresno on September 7, 1978. The matter was submitted with the letter from applicant dated October 11, 1978 advising that, in view of the waiver of closing statement by California Trucking Association, it also waives closing statement.

Although the application sets forth specific rates in Appendix A, the testimony of applicant's operations and rating manager discloses that applicant is seeking authority to assess 85 percent of the rates and charges set forth in MRT 2 for shipments rated on the 30,000-pound scale of rates set forth in Items 507 and 508.1 of MRT 2. The sought authority would apply to split delivery charges and any applicable surcharge.

The manager of Reynolds Fresno Service Center testified that he presently utilizes Pozas Bros. Trucking (Pozas) and California Freight Transport (CFT) in addition to applicant for transportation of the involved traffic. Pozas transports approximately 50 percent of the traffic, and applicant and CFT each transport 25 percent. Should the application be granted, applicant's percentage will be increased to 50 percent and Pozas' percentage will be reduced to 25 percent. The application was served upon Pozas and CFT on February 7, 1978. Neither carrier has communicated with the Commission concerning the application. Reynolds has been using the services of applicant for approximately four years. The manager of Reynolds Fresno Service Center also testified that two of Reynolds' competitors use proprietary carriage, while Reynolds does not. This has placed Reynolds at a competitive disadvantage in bidding on large jobs. Reynolds is presently considering proprietary carriage as an alternative.

The operations and rating manager of applicant testified that he anticipates applicant will always have a return load after an outbound Reynolds shipment as applicant presently has a balanced northbound and southbound operation which results in a minimum of deadhead mileage. He further testified that Reynolds will give him 24 to 48 hours advance notice on loading times.

Revenue and cost data submitted by applicant (Exhibit 1) discloses that transportation at the proposed rates will be compensatory when the traffic is considered with anticipated return movements.

Findings

1. Applicant seeks authority to assess rates and charges which are 85 percent of the applicable minimum rates based upon a minimum

weight of 30,000 pounds in MRT 2 for electric cable from Fresno to points located in the Los Angeles Mileage Territory; or the San Francisco Bay Mileage Territory (except points in Marin, Sonoma, and Napa Counties); or in Yolo, Sutter, Yuba, Sacramento, or San Joaquin Counties.

2. The circumstances that exist for applicant's transportation involved in this proceeding which are not present in the ordinary transportation of this commodity are a balanced operation and minimal deadhead mileage.

3. The proposed rate is compensatory, reasonable, and justified.

The Commission concludes that the application should be granted to the extent set forth in the ensuing order. Since there is an immediate need for the sought relief, the effective date of this order should be the date hereof.

O R D E R

IT IS ORDERED that:

1. Vincent Ganduglia Trucking is authorized to depart from the minimum rates set forth in Minimum Rate Tariff 2 by charging the rates set forth in Appendix A of this decision. This authority does not include any deviation from any rates, rules, or regulations except as specifically set forth in Appendix A.

2. The authority granted shall expire one year after the effective date of this order 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 19th day of DECEMBER, 1978.

Robert B. ...
President

Yveson L. ...
Robert D. ...
Clare J. ...
Commissioners

William Symons Jr
PRESENT BUT NOT
PARTICIPATING. *WR*

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Carrier: Vincent Ganduglia Trucking.

Shipper: Reynolds Metals Company.

Commodity: Aluminum or copper electric cable and wire.

Origin: Reynolds Metals Company facility in Fresno, California.

Minimum Weight: 30,000 pounds.

Rates: 85 percent of rates set forth in Items 173, 507, 508, and applicable surcharge in Minimum Rate Tariff 2.

Applicability of Rates:

1. Rates shall apply only:
 - (a) To shipments power loaded by consignor and power unloaded by the consignee at no expense to the carrier in such circumstances where physical assistance of the carrier's employee is restricted to work within or on carrier's equipment, not including stacking, unstacking, of placement of merchandise, and when transported by carrier on flat-bed trailers.
 - (b) To shipments with final destination in the Los Angeles Mileage Territory,^{1/} or the San Francisco Bay Mileage Territory^{1/} (except points in Marin, Sonoma, and Napa Counties), or in Yolo, Sutter, Yuba, Sacramento, or San Joaquin Counties. Final destination as used herein, means the point of destination to which mileage would be calculated pursuant to Item 171 of Minimum Rate Tariff 2.
2. The minimum weight shall apply per unit of carrier's equipment consisting of a tractor and one or more flat-bed trailers.

^{1/} As described in Distance Table 8, Original Page 229.

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3. Applicant has not indicated that subhaulers will be engaged nor have any costs of subhaulers been submitted. Therefore, if subhaulers are employed, they shall be paid not less than the rates authorized herein without any deduction for use of applicant's trailing equipment.
4. The rates set forth herein may not be used in combination with any other rates.
5. Except as otherwise provided herein, the rules and regulations of Minimum Rate Tariff 2 shall govern. ✓