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# ORIGINAL

Decision No. 90309 0CT 10 1979

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 cement and related products
statewide as provided in Minimum
Rate Tariff 10 and the revisions
or reissues thereof.

Case No. 5440
Petition for Modification
No. 109
(Filed May 31, 1979)
(Amended July 11, 1979)
(Amended August 8, 1979)

# FINAL OPINION AND ORDER

Minimum Rate Tariff 10 (MRT 10) contains rates and charges for transportation of cement by highway carriers in California. By this petition, as amended, California Trucking Association (CTA) seeks authority to increase rates for the Southern Territory by an average of 6.3 percent, based upon the wage cost offset method of considering its furnished cost data.

The Commission's Transportation Division Freight Economics Branch made an analysis of CTA's petition, as amended, and has determined that the proposal would result in approximately \$1,360,000 additional revenue. By employing the direct wage offset treatment to cost increases reflected in the petition, as amended, such increases would average 5.4 percent resulting in the lowest reasonable rate increases for Southern Territory adding about \$1,170,000 additional tariff revenue.

The Freight Economics Branch, in order to expedite this matter, recommends that Southern Territory rates be increased (on the direct wage offset basis) by application of a surcharge. The proposed surcharge includes the 6 percent fuel surcharge effective August 5, 1979, the Northern Territory rate increases effective August 11, 1979, the fuel surcharge effective September 16, 1979, and the Southern Territory increases proposed herein.

The petition, as amended, was listed on the Commission's Daily Calendars of June 4, July 17, and August 9, 1979, respectively. In conjunction with its analysis of the petition the Commission's

Freight Economics Branch contacted the California Trucking Association, Kaiser Cement & Gypsum, Inc., Southwestern Portland Cement, The Flintkote Company, Lone Star Industries, Inc., General Portland, Inc., and Riverside Cement company. No objection to the granting of the petition, as amended, has been received.

In the circumstances, the Commission finds that the proposed increases are justified. A public hearing is not necessary. The Commission concludes that the petition, as amended, 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. Minimum Rate Tariff 10 (Appendix A to Decision No. 44633, as amended) is further amended by incorporating therein, to become effective October 28, 1979, Supplement 30, attached hereto and by this reference made a part hereof.
- 2. Common carriers subject to the Public Utilities Act, to the extent that they are subject to Decision No. 44633, as amended, are directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered herein.
- 3. Common carriers maintaining rates on a level other than the minimum rates for transportation for which rates are prescribed in Minimum Rate Tariff 10 are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 10 rates.
- 4. Common carriers maintaining rates on the same level as Minimum Rate Tariff 10 rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff 10 are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 10 rates.

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- 5. Common carriers maintaining rates at levels other than the minimum rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff 10 are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 10 rates.
- 6. Common carriers maintaining rates not otherwise referred to in other ordering paragraphs of this decision are authorized to increase such rates by 5.4 percent.
- 7. 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 supplement attached hereto on not less than five days' notice to the Commission and to the public; as to tariff publications as are authorized, but not required, the authority shall expire unless exercised within sixty days after the effective date of this order.
- 8. Common carriers, in establishing and maintaining the rates authorized by this order, are authorized to depart from the provisions of Section 461.5 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are hereby modified only to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are hereby modified only 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.
- 9. In all other respects, Decision No. 44633, as amended, shall remain in full force and effect.

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- 10. 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 Minimum Rate Tariff 10.
- 11. The Executive Director shall serve a copy of the tariff amendment on each subscriber to Minimum Rate Tariff 10.

The effect:	ive date of	this	order	is the	date	hereof.	
Dated	001 10 1979	}	, at Sa	an Fran	cisco,	Califor	nia.

President

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Commissioners

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.

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#### OAPPLICATION OF SURCHARGE

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

- 1. By twelve and three-quarters (12%) percent on charges computed at rates set forth in Item 210 (Southern Territory) for shipments in bulk of 80 constructive miles or less.
- By twelve (12) percent on charges computed at rates set forth in Item 210 (Southern Territory) for shipments in bulk of over 80 constructive miles.
- 3. By twelve and three-quarters (12%) percent on charges computed at rates set forth in Item 210 (Southern Territory) for whipments in packages of 80 constructive miles or loss.
- 4. By twelve and one-quarter (12k) percent on charges computed at rates set forth in Item 210 (Southern Territory) for shipments in packages of over 80 constructive miles.
- 5. By fourteen and one-half (145) percent on charges computed at the rates set forth in Item 205 (Nowthern Territory) for shipments in bulk.
- by fifteen and one-half (15h) percent on charges computed at the rates set forth in Item 205 (Northern Territory) for shipments in packages of 75 constructive miles or less.
- 7. By fourteen and one-half (145) percent on charges computed at the rates set forth in Item 205 (Northern Territory) for shipments in packages of over 75 constructive miles.
- By twelve and one-half (124) percent on charges computed at rates set forth in Item 220.
- 9. By fourteen (14) percent on all other rates and charges.

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

EXCEPTION: The surcharge herein shall not apply to:

- 1. Item 100 Accessorial charges;
- 2. Item 142 Collect on Delivery (C.O.D.) Shipments.

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• Increase, Decision No. 90903

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