

ORIGINAL

Decision 93877 DEC 15 1981

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 the)
transportation of rock, sand, gravel,)
and related items in bulk, in dump)
truck equipment in Southern California)
as provided in Minimum Rate Tariff 17-A))
and Southern California Production Area))
and Delivery Zone Directory 1, and the)
revisions or reissues thereof.)

Case 9819
Petition for Modification 49
(Filed May 15, 1981)

O P I N I O N

Petitioner El Toro Materials Company requests that Minimum Rate Tariff 17-A (MRT 17-A) be amended to provide zone rates for the transportation of rock, sand, and gravel from a new production area operated by petitioner in Orange County to other Orange County zones. A copy of the application was served on three trucking associations some of whose members would be involved in the hauls and on two trade associations in Southern California whose members either extensively use or produce rock products. No protests to the application have been received.

MRT 17-A names minimum rates for the transportation, by dump truck carriers, of certain commodities including rock, sand, and gravel. These rates are principally zone rates which apply from defined production areas to designated delivery zones via a network of routes over most legally traversable highways in Southern California. Shipments from production areas not included in MRT 17-A must be assessed hourly or mileage rates found in another minimum rate tariff.

The petition shows that petitioner operates a rock and sand plant at a location in Orange County north of El Toro Road in El Toro. The legal description of the plant site is described in the petition. Petitioner ships substantial quantities of rock and sand from its plant site each month and uses the services of for-hire dump truck carriers to transport these products, which are marketed in Orange County usually within the system of delivery zones. However, zone rates from this location are not available so petitioner is charged either hourly or mileage rates. Petitioner believes that hourly rates require costly supervision and increase the expense of billing customers and paying for-hire carriers. Petitioner believes mileage rates for rock and sand are inequitable because they are not economically commensurate with zone rates. Petitioner contends that the establishment of zone rates from its production facility will not cause rate discrimination because producers of the same commodities in the same market area have zone rates to Orange County delivery zones.

A member of the Commission's Transportation Division staff made a field inspection of the plant site and checked the trip report (see Exhibit 1) and generally verified petitioner's factual allegations. The staff determined that the plant site contains approximately 55 acres located off El Toro Road between node numbers 40691 and 40693 in Orange County. The layout of the production area is set forth on a map attached to Exhibit 1. The highway (El Toro Road) giving access and egress from the plant site is being widened and realigned for several hundred feet beyond the plant gate and will have four lanes and flatter grades than the existing road. The staff agrees with petitioner that the establishment of zone rates from petitioner's production area is justified as products from this location are mostly marketed in zoned areas of Orange County. ✓

Findings of Fact

1. MRT 17-A names minimum rates for the transportation, by dump truck carriers, of certain commodities including rock, sand, and gravel via a network of routes over most legally traversable highways in Southern California.

2. Petitioner operates a rock and sand plant north of El Toro Road in El Toro, Orange County.

3. Petitioner requests that MRT 17-A be modified by designating its plant as a production area and establishing zone rates from its production area to Orange County zones.

4. Petitioner ships substantial quantities of rock and sand by dump truck carriers from its production area each month to Orange County delivery zones.

5. Currently, petitioner has no zone rates available and must pay hourly or mileage rates.

6. The establishment of zone rates from petitioner's production site as requested will not cause rate discrimination because producers of the same commodities in the same market area have zone rates available to them.

7. The rates provided will result in just, reasonable, and nondiscriminatory minimum rates for the transportation involved.

8. A public hearing is not necessary.

Conclusion of Law

The petition should be granted to the extent provided in the following order.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 17-A (MRT 17-A) (Appendix C to Decision (D.) 80578, as amended) is further amended by incorporating Original Page 5-U, attached, to become effective 39 days after today.

2. Common carriers subject to the Public Utilities Act, to the extent that they are also subject to D.80578, as amended, are directed to establish in their tariffs the rates and routes necessary to conform with the further revisions 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 be made effective not earlier than 39 days after the date hereof on not less than five days' notice to the Commission and the public.

4. Common carriers, in establishing and maintaining the rates authorized by this order, are authorized to depart from the provisions of Public Utilities Code Section 461.5 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.

5. In all other respects, D.80578, 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 17-A.

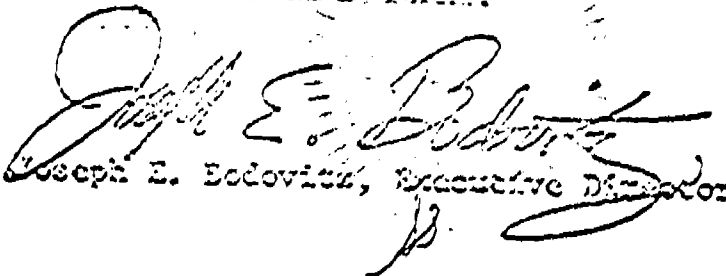
7. The Executive Director shall serve a copy of the tariff amendments on each subscriber to MRT 17-A.

This order becomes effective 30 days from today.

Dated DEC 15 1981, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. CREW
Commissioners

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


Joseph E. Bodovitz, Executive Director

* SECTION 5 - ZONE RATES IN CENTS PER TON (CONTINUED)

COMMODITIES AS DESCRIBED IN ITEM 60

FROM ORANGE COUNTY PRODUCTION AREA 30-U
TO THE DELIVERY ZONES SET FORTH BELOW

ZONE	RATE	ZONE	RATE	ZONE	RATE
30001	267	30036	273	30071	120
30002	254	30037	272	30072	136
30003	261	30038	253	30073	154
30004	282	30039	267	30074	184
30005	292	30040	244	30075	199
30006	292	30041	236	30076	213
30007	301	30042	226	30077	223
30008	278	30043	225	30078	207
30009	252	30044	212	30079	207
30010	240	30045	199	30080	190
30011	256	30046	192	30081	158
30012	242	30047	179	30090	214
30013	259	30048	171	30091	238
30014	251	30049	149	30092	210
30015	261	30050	154	30093	193
30016	275	30051	170	30094	175
30017	286	30052	194	30095	165
30018	274	30053	197	30096	141
30019	260	30054	215	30097	180
30020	242	30055	205	30098	194
30021	235	30056	213	30099	110
30022	226	30057	230	30100	131
30023	236	30058	269	30101	148
30024	221	30059	245	30102	170
30025	226	30060	232	30103	192
30026	239	30061	214	30116	185
30027	219	30062	192	30117	206
30028	198	30063	177	30118	211
30029	211	30064	169		
30030	195	30065	178		
30031	206	30066	135		
30032	219	30067	109		
30033	242	30068	127		
30034	253	30069	107		
30035	264	30070	109		

* CHANGE, DECISION 93877

EFFECTIVE Jan. 23, 1982

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