

ORIGINAL

Decision No. 68511

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)	
of: ELLIS TRANSPORTATION CO., a)	
California corporation, for author-)	
ity to charge less than minimum)	Application No. 47146
rates pursuant to Section 3666 of)	(Filed November 25, 1964)
the Public Utilities Code, for the)	
transportation of Iron Ore for)	
Riverside Cement Company.)	

OPINION AND ORDER

Ellis Transportation Co., Inc., a corporation, holds highway contract carrier and petroleum contract carrier permits.¹

By this application, it seeks authority, as a highway contract carrier, to assess a rate less than the established minimum rate but not less than \$4.15 per ton, minimum weight 40,000 pounds, subject to a minimum tonnage of 750 tons per calendar month, for the transportation of iron ore from Iron Age Mine located 27.3 miles east of Twentynine Palms to the plant of Riverside Cement Company, a division of American Cement Corporation, at Crestmore.

By Decision No. 66906 dated March 3, 1964, in Application No. 45894, applicant was authorized to charge less than the applicable minimum rate for the transportation of iron ore from the same mine to the plant of the Riverside Cement Company at Oro Grande. It is alleged that the same product is now being used by the Crestmore

1 The highway contract carrier permit was transferred to the new corporation, Ellis Interstate Corporation on December 9, 1964. Transfer of the petroleum contract carrier permit is still pending. By Decision No. 68343 of December 15, 1964, in Application No. 47100, the petroleum irregular route and cement carrier certificates of Ellis Transportation Company were sold and transferred to Ellis Interstate Corporation. These operating authorities are not involved herein. Applicant requests that if the rate authority sought herein is granted, the authority be issued to Ellis Interstate Corporation, the new owner.

plant of the Riverside Cement Company and applicant is temporarily transporting the iron ore to Crestmore at the current minimum rate of 30 cents per 100 pounds. Applicant further alleges that the commodity is a low grade ore and the shipper will transport the ore in its own trucks if applicant is unable to secure the sought rate of \$4.15 per ton, the same as now authorized for the transportation of iron ore from Iron Age Mine to Oro Grande.

Applicant avers that the volume of traffic has proven to be far in excess of the 750-ton minimum tonnage per calendar month originally contemplated for the Oro Grande movement and it anticipates that the volume of ore for shipment to Crestmore will be about the same as that to Oro Grande. It is further averred that applicant's equipment will be mechanically loaded by the mining company and unloaded by mechanical dumping. A review of the Commission's Distance Table No. 5 shows that the distances from Iron Age Mine to Oro Grande and to Crestmore are 147 and 135 constructive miles, respectively.

Applicant asserts that the granting of the proposed relief will not adversely affect any other rail or truck carrier inasmuch as the traffic was initially moved and is now being moved exclusively by it. Revenue and cost data submitted by applicant indicate that the movement to Crestmore at the proposed rate may reasonably be expected to be profitable.

The certificate of service shows that a copy of this application was mailed to California Trucking Association on November 25, 1964. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rate is reasonable for the transportation involved.

A public hearing is not necessary. The application should be granted and the authority should be issued to Ellis Interstate Corporation, the new corporation. However, due to the relationship of the relief granted herein for the movement to Crestmore to that previously authorized for the movement to Oro Grande, the authority granted herein should be made to expire March 31, 1965, concurrently with the expiration date of the authority granted by Decision No. 66906, supra, for the movement to Oro Grande.

IT IS ORDERED that:

1. Ellis Interstate Corporation, a corporation, is hereby authorized, as a highway contract carrier, to transport iron ore for the Riverside Cement Company, a division of the American Cement Corporation, from Iron Age Mine located 27.3 miles due east of Twenty-nine Palms to the plant of the Riverside Cement Company at Crestmore at a rate less than the applicable minimum rate but not less than the rate set forth in and subject to the conditions shown in Appendix A, attached hereto and by this reference made a part hereof.

2. The authority granted herein shall expire March 31, 1965, unless sooner canceled, modified or extended by order of the Commission.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 19th day of January, 1965.

Frederick B. Holdcroft
President
George P. Trover
William W. Bennett
Commissioners

APPENDIX A TO DECISION NO. 68511

ELLIS INTERSTATE CORPORATION

Schedule of Minimum Rates for the
Transportation of iron ore for the
Riverside Cement Company, a division
of the American Cement Corporation

Section 1

Item 10 - Application of Rate - General

The minimum rates, rules and regulations set forth in Minimum Rate Tariff No. 2 are applicable to the transportation of iron ore, except as specifically provided in Section 2.

Section 2

Item 20 - The rate in this section applies to the transportation of iron ore in bulk in dump truck equipment from the Iron Age Mine, located 27.3 miles due east of Twentynine Palms, to the plant of the Riverside Cement Company at Crestmore.

Item 30 - Minimum Weight

The rate in this section is subject to a minimum weight of 20 tons per shipment. The minimum weight shall be transported in one unit of equipment at one time.

Item 40 - Minimum Tonnage per Calendar Month

The rate in this section is subject to a minimum tonnage of 750 tons per calendar month.

Item 50 - Loading

The rate in this section applies only when carrier's equipment is loaded by the consignor.

Item 60 - Commodity Rate

\$4.15 per ton.

(End of Appendix A)