

ORIGINAL

Decision No. 80020

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of: )

JOWALTKEN, INC., a California corpo- )  
ration, for authority to deviate )  
from minimum rates pursuant to )  
Section 3666 of the Public Utilities )  
Code, for Glass Container Corporation. )

Application No. 53256  
(Filed April 10, 1972)

INTERIM OPINION AND ORDER

Jowaltken, Inc., a corporation, doing business as George Gray Trucking, operates as a highway permit carrier. By this application, it seeks authority to assess a rate less than the established minimum rate for the transportation of processed silica sand for Glass Container Corporation (Glass Container) from the Mission Viejo production plant of Owens-Illinois Glass Company (Owens Illinois) near the City of San Juan Capistrano to the Glass Container plant in Vernon.

Applicant states that silica sand is used by Glass Container in the making of glass, that its consistency and density do not vary significantly and that it must be transported in clean dome covered vehicles to prevent contamination. Applicant alleges that, for many years, Glass Container's prime source for silica sand has been the Owens-Illinois production plant at Weisel (on Highway 71, south of Corona) but that this plant will be phased out due to pending exhaustion.

Applicant avers that it has transported shipments from the Weisel plant to the Glass Container plant at Vernon at an equivalent rail rate of \$1.70 per ton. Applicant declares that the new Mission Viejo plant of Owens-Illinois has been constructed to replace the Weisel plant and that Owens-Illinois is under contract to supply the required raw materials to Glass Container. According to applicant, the loading facilities of the new plant consist of a 5,000-ton storage bin which feeds a 150-ton bunker located over a 100-foot truck scale permitting dump trucks to be loaded and weighed automatically in a minimum amount of time. Applicant points out that the loading facilities will be operated twenty-four hours per day seven days per week and that shipments will be transported by truck with anticipated operations commencing on or about May 1, 1972.

Applicant asserts that Glass Container has facilities for unloading trucks twenty-four hours per day seven days per week and has a storage capacity for silica sand of 900 tons. Applicant contends that the movement requires continuous 24-hour service; that the round trip running time would average 2 hours and 35 minutes and that maximum efficiency in the utilization of equipment would result.

Applicant declares that Glass Container estimates its minimum annual requirements for silica sand will be between 80,000 and 90,000 tons, or approximately 9 truckloads per day. Applicant avers that the carrying capacity of its equipment is 27 tons and it anticipates that the involved transportation can be handled adequately with the equipment it plans to use.

According to applicant, the sought rate of \$1.80 per ton is based upon the use of its own equipment, i.e., 2-axle tractors pulling gravity, bottom dump, hopper-type trailers with dome covers, operating on a basis of 4,768 hours per year per vehicle, averaging 19 hours per day for 252 days per year. It alleges that the rate is computed on a 70 percent use factor per truck utilized in the operation. Applicant contends it has ample backup equipment.

Data submitted by applicant indicate that the proposed rate will be compensatory for the transportation involved.

The verified application shows that copies thereof were mailed to interested parties on or about April 10, 1972. The application was listed on the Commission's Daily Calendar of April 12, 1972. No objection to the granting of the application has been received.

The Transportation Division staff has reviewed the application and recommends that, in view of applicant's urgent need for the sought rate relief, it be granted by ex parte order on an interim basis pending decision on evidence to be adduced at a public hearing.

Subject to further review upon consideration of evidence which may be adduced at a public hearing, it appears, and the Commission finds, that the proposed rate is reasonable. In view of the existing conditions, the Commission concludes that applicant should be granted interim authority for a period of six months to the extent hereinafter indicated.

A future hearing will be scheduled in this proceeding.

IT IS ORDERED that:

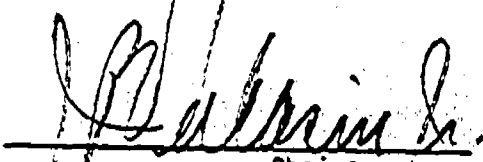
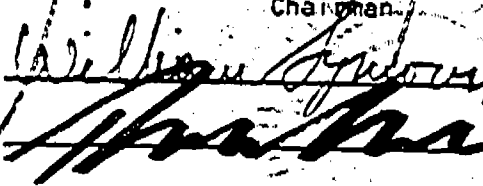

1. Jowaltken, Inc., a corporation, doing business as George Gray Trucking, is authorized to transport processed silica sand in dump truck equipment for Glass Container Corporation from the plant of Owens-Illinois Glass Company, located five miles east of Interstate Highway 5 on California State Highway 74 (Ortega Road) near the City of San Juan Capistrano, to the Glass Container Corporation plant at Vernon, at a rate less than the Commission's established minimum rate but not less than \$1.80 per ton, minimum charge per shipment 26 tons at said rate.

2. The authority granted herein shall expire six months after the effective date of this order unless sooner canceled, modified or extended by order of the Commission.

3. A public hearing shall be scheduled in this proceeding for the receipt of evidence on this application and full disposition thereof.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 27<sup>th</sup> day of May, 1972.

  
Chairman  
  
  
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.