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Decision No. 80923

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of HARRISON-NICHOLS  
COMPANY, LTD. for authority to  
depart from the minimum rates,  
rules and regulations of Minimum  
Rate Tariff No. 7, pursuant to  
the provisions of Section 3666  
of the Public Utilities Code,  
for transportation of sand for  
ANCHOR HOCKING CORPORATION.

Application No. 53723  
(Filed December 1, 1972)

INTERIM OPINION AND ORDER

Harrison-Nichols Company, Ltd. 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 Anchor Hocking Corporation from the Mission Viejo production plant of Owens-Illinois Glass Company (Owens-Illinois) near the city of San Juan Capistrano to Anchor Hocking's plant in Vernon. An interim order is requested.

The application alleges that for many years Anchor Hocking has received the silica sand it requires for glass making by rail from a production facility near Corona owned by Owens-Illinois. That deposit of silica sand is now exhausted, and glass makers must obtain silica sand from other locations. Owens-Illinois has opened a new plant at Mission Viejo. The facilities at the new production facility and at Anchor Hocking's plant at Vernon are open 24 hours per day and are the most modern type for loading and discharge of bottom-dump hopper equipment, such as that operated by applicant.

Applicant believes that because of the cost economies involved, Anchor Hocking may consider proprietary hauling unless the sought deviation is granted. The application shows that Anchor Hocking has committed the transportation service involved herein to applicant for the 1972-1973 period.

The application contains cost estimates which show that the transportation service can be performed at a profit.

This application is similar to nine other applications filed by highway permit carriers seeking relief from minimum rates. Those highway permit carriers have been authorized to assess the rates proposed in their applications on an interim basis, pending hearing of their applications on a consolidated record with Amended Order Setting Hearing 233, issued December 12, 1972, in Case No. 5437. OSH 233 was issued for the purpose of determining whether there should be a reduction in the minimum rates governing the transportation of silica sand in bulk in dump truck equipment from Mission Viejo to the various locations in southern California.

Similar temporary relief should be granted the applicant herein for the transportation of silica sand, and the application should be consolidated for hearing with OSH 233 in Case No. 5437.

The verified application shows that copies thereof were mailed to interested parties and the application was listed on the Commission's Daily Calendar. 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, the relief be granted by ex parte order on an interim basis pending a public hearing.

Subject to further review at a public hearing, it appears, and the Commission finds, that the proposed rates are 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.

IT IS ORDERED that:

1. Harrison-Nichols Company, Ltd. is authorized to transport processed silica sand in dump truck equipment for Anchor Hocking 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 Anchor Hocking Corporation plant at Vernon, at a rate less than the Commission's established minimum rate but not less than \$1.74 per ton, subject to a minimum charge per unit of equipment of 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. This proceeding will be consolidated for hearing with Order Setting Hearing 233 in Case No. 5437 and with the applications listed therein.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 9<sup>th</sup> day of JANUARY, 1973.

Vernon L. Stinson  
President  
[Signature]  
[Signature]  
Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.