

ORIGINAL

Decision No. ~~81273~~

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of  
 VINCENT GANDUGLIA TRUCKING, a corpo-  
 ration, for authority to deviate  
 from minimum rates to the extent  
 shown in Exhibit 1 hereto for trans-  
 portation of barium sulfate (barite)  
 and bentonite between points shown  
 in Exhibit 1 hereto for Wilbur-Ellis  
 Company and Industrial Minerals Co.

Application No. 53831  
 (Filed February 8, 1973)

INTERIM OPINION AND ORDER

Applicant holds a radial highway common carrier permit. By this application, it seeks authority to charge less than minimum rates for the transportation of barite and bentonite in bags or in bulk in hopper-type trailers equipped with loading and unloading devices for Wilbur-Ellis Company, located in Fresno, and for Industrial Minerals Company, located in Florin, which is near Sacramento. There are variations in the distance rate scales proposed for the two shippers. Both scales are subject to a minimum weight of 48,000 pounds.

The application states as follows:

Barite's principal use is as a well drilling mud. Bentonite is also used for this purpose, but it is also used as a hardening agent in the manufacture of animal feed pellets and as a sealer in reservoirs, wells, ditches, and livestock ponds. Their value is one and one-half cents per pound. Bulk shipments of each commodity are gravity loaded but require pneumatic devices on the carrier's equipment to assist in unloading. Bagged shipments are palletized

and power loaded by shipper and power unloaded by consignee and move on flatbed trailers. To compensate for the differential in cost between the hopper and flatbed trailers, the rates proposed for bulk hauls are two cents per 100 pounds higher than bagged shipments. Practically all shipments are to off-rail points. Applicant has terminals near each of the shippers. Distribution from Wilbur-Ellis would generally be in the southern portion of the state and from Industrial Minerals would generally be in the northern part of the state. Applicant had in the past transported 75 percent of the barite shipments for Wilbur-Ellis. However, over the years the minimum rates for this transportation increased to a point where they became prohibitive. Now, practically all shipments of both commodities from the two shippers are transported by private carriage of the vendees. If the proposed rates were authorized, the vendees would prefer having the transportation handled by applicant. Applicant has the necessary equipment and experience to perform the transportation. All shipments would be prepaid.

According to the application, the operating ratio for the transportation in issue at the proposed rates would be 69.2 percent. Applicant's operating ratio from its for-hire trucking operation for 1971 was 102.1 percent.

A copy of the application has been served on California Trucking Association. The application was listed on the Commission's Daily Calendar.

Subject to further review upon consideration of evidence which may be adduced at a public hearing, it appears, and the Commission finds, that the rates sought herein are reasonable for the transportation to be performed by applicant. In view of the existing conditions, the Commission concludes that applicant should be granted interim authority to the extent hereinafter indicated for a period of six months. A future hearing will be scheduled in this proceeding.

IT IS ORDERED that:

1. Vincent Ganduglia Trucking, a corporation, is hereby authorized to transport barite and bentonite in bags or in bulk for Wilbur-Ellis Company, located in Fresno, and for Industrial Minerals Company, located in Florin, at rates less than the established minimum rates but not less than those set forth, and subject to the conditions specified, in Appendix A attached hereto and by this reference made a part hereof.

2. The authority granted herein shall expire six months after the effective date of this order.

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

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17<sup>th</sup>  
day of APRIL, 1973.

Vernon L. Stearns  
President  
William Synovis Jr.

[Signature]  
[Signature]  
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

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APPLICATION OF RATES

CARRIER: VINCENT GANDUGLIA TRUCKING

I

Shipper for whose account service is to be provided:

WILBUR-ELLIS COMPANY

A. Commodity

Barium sulphate (barite) (crude, ground) and  
clay (bentonite) (crude, crushed, ground or pulverized)  
in bags and bulk.

B. Rates

Subject to restrictions set out in III hereto.

From

Wilbur-Ellis  
Company plant located  
on old U. S. Highway  
99 at Cedar, Fresno,  
California

	<u>Minimum weight 48,000 pounds</u>			
	<u>0-50</u>	<u>50-125</u>	<u>125-300</u>	<u>300-400</u>
	<u>miles</u>	<u>miles</u>	<u>miles</u>	<u>miles</u>
Rate per CWT - bags	\$ .17	\$ .30	\$ .50	\$ .60
- bulk	\$ .19	\$ .32	\$ .52	\$ .62

II

Shipper for whose account service is to be provided:

INDUSTRIAL MINERALS COMPANY

A. Commodity

Barium sulphate (barite) (crude, ground) and  
clay (bentonite) (crude, crushed, ground or pulverized)  
in bags and bulk.

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B. Rates

Subject to restrictions set out in III hereto.

From

Industrial Minerals  
Company plant located  
at 7275 Reese Road,  
Florin (Sacramento),  
California

Minimum weight 48,000 pounds					
	0-25 <u>miles</u>	25-50 <u>miles</u>	50-125 <u>miles</u>	125-200 <u>miles</u>	200-380 <u>miles</u>
Rate per CWT - bags	\$ .15	\$ .17	\$ .22	\$ .30	\$ .48
- bulk	\$ .17	\$ .19	\$ .24	\$ .32	\$ .50

III

RESTRICTIONS

- A. Applies only in connection with straight shipments of the commodities named in this item.
- B. Applies only:
  - (1) To shipments in bags when pelletized and power-loaded by consignor and power-unloaded by consignee, in such circumstances physical assistance of the carrier's employee is restricted to work within or on carrier's equipment and does not include stacking, unstacking, removal or placement of merchandise on pallets, and when transported by carrier on flatbed trailers.
  - (2) To shipments in bulk in hopper-type equipment, gravity loaded and unloaded by carrier through use of pneumatic equipment provided by carrier and carried on its equipment.
- C. An allowance of one hour is included for loading and one hour for unloading shipments in bag and bulk. Additional time consumed for loading or unloading will be charged at the applicable hourly rate provided for excess time in the Commission's Minimum Rate Tariff 2.

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- D. The minimum weight applies to each unit of carrier's equipment used in the transportation of a single shipment. A unit of equipment includes: (a) for bagged shipments, a tractor and two flatbed trailers, each of which is no shorter than 27 feet, and (b) for bulk shipments, a tractor and two hopper trailers equipped with a pneumatic loading device, each bulk trailer no shorter than 27 feet.