

Imm

Decision No. 81555

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BULK TRANSPORTATION, a corporation,
to perform transportation services
for Kaiser Steel Corporation in the
movement of flue dust from Kaiser
Mill to Cushenbury at less than min-
imum rates.

Application No. 53567
(Filed September 5, 1972)

John T. Underwood, for Bulk Transportation, applicant.
Jim S. McGahey, for Kaiser Cement & Gypsum Corp.;
James H. Mullen, for Kaiser Steel Corp.;
Arthur D. Maruna, Herbert W. Hughes, and Arlo Poe,
Attorney at Law, for California Trucking Association;
interested parties.
Russell D. Corning, for the Commission staff.

SECOND INTERIM OPINION AND ORDER
EXTENDING TIME

Bulk Transportation, a corporation, operates as a highway contract carrier. It was granted interim authority, pending public hearing, by Decision No. 80602 dated October 11, 1972, to transport flue dust for Kaiser Steel Corporation from the latter's steel mill near Fontana to the cement plant of Kaiser Cement & Gypsum Corporation located at Cushenbury at a rate less than the applicable minimum class rate but not less than 17 cents per 100 pounds, minimum weight 47,500 pounds. This interim authority was scheduled to expire as of April 11, 1973 but was extended to August 26, 1973 by Decision No. 81088 dated February 23, 1973.

Public hearing was held before Examiner Gagnon at San Francisco on June 11, 1973. The president for Bulk Transportation testified on behalf of applicant. It is now requested that, pending further adjourned hearing, applicant's current temporary authority be extended to December 30, 1973.

The president for Bulk Transportation explained the transportation characteristics surrounding the movement of flue dust for the account of Kaiser Steel Corporation. This product is a waste material which was initially dissipated in the air during the manufacturing process at the Kaiser Fontana plant. In order to comply with the California Environmental Quality Act of 1970 the flue dust was accumulated and stockpiled as a waste material. Subsequently, it was determined that this waste material may be used as a substitute for iron ore in the manufacturing of cement at the Cushenbury plant of Kaiser Cement & Gypsum Corporation. While the transportation characteristics of flue dust are substantially the same as that experienced in the movement of bulk cement in pneumatic trailer equipment, applicant is currently experiencing considerable technical difficulties in the loading and unloading process due to product inconsistencies. Both carrier and shipper are in the process of attempting to resolve the technical difficulties involved and determine the current transportation costs for the movement of flue dust. ✓

Under applicant's existing temporary authority a rate less than the otherwise governing distance class rate named in Minimum Rate Tariff 2, but not less than 17 cents per 100 pounds, minimum weight 47,500 pounds, may be assessed for the movement of flue dust from and to the points in question. In effect, applicant was granted temporary authority to charge the bulk cement rate named in Minimum Rate Tariff 10 for the same distance the flue dust is transported. Applicant's operating experience under its present temporary authority indicates that a rate somewhat lower than the current applicable minimum class rate but higher than the rate of 17 cents per 100 pounds, minimum weight 47,500 pounds, will be required for the movement of flue dust. Applicant is confident that its analysis of the cost of transporting flue dust from Fontana to Cushenbury will be completed by the latter part of September and available for presentation at a further adjourned hearing in this

matter. Accordingly, it is requested that applicant's present interim authority be extended, pending further hearing, to December 30, 1973.

Under the circumstances, the Commission finds that applicant's request for further extension of its existing temporary authority, pending adjourned hearing, is reasonable. It is concluded that Bulk Transportation's current interim authority granted by Decision No. 80602 in this proceeding should be further extended to December 30, 1973 pending adjourned hearing.

IT IS ORDERED that:

1. The time limit within which Bulk Transportation may exercise the temporary authority granted by Decision No. 80602 is further extended to December 30, 1973, unless sooner canceled or modified by order of the Commission.
2. In all other respects Decision No. 80602 shall remain in full force and effect.
3. Further adjourned hearing will be held in Application No. 53567 on Tuesday, October 9, 1973, at 10:00 a.m. in the Commission Courtroom, State Building, 350 McAllister Street, San Francisco, California, at which time and place all interested parties may appear and be heard.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 3rd
day of JULY, 1973.

Vermon L. Stevenson
President
William J. Harrison
John J. Harrison
Robert J. Harrison
Commissioners