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ORIGINAL

Decision No. 81596

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
AUSTIN-LAWS TRUCK LINES, INC., a
California corporation, for authority
to deviate from minimum rates
pursuant to Section 3666 of the
Public Utilities Code for Owens-
Illinois, Inc.

Application No. 53857
(Filed February 22, 1973)

INTERIM OPINION AND ORDER

Austin-Laws Truck Lines, Inc. operates as a highway permit carrier. It seeks authority under Section 3666 of the Public Utilities Code to assess less than the established minimum rates for the transportation of processed silica sand in bulk in dump truck equipment from two locations to the plant of Owens-Illinois, Inc. (Libbey Products Division) at 200 Old Ranch Road, City of Industry.

Applicant proposes to assess a rate of \$1.80 per ton, minimum 27 tons, for transportation from the Mission Viejo Production Plant of Owens-Illinois, Inc. located five miles east of Interstate Highway 5, on California Highway 74 (Ortega Road), near San Juan Capistrano. The Commission was informed on May 1, 1973 that operations at the Mission Viejo production facility have ceased for a period of approximately one year (see Exhibit 233-3 in Case No. 5437, OSH 233). In the circumstances, action on this portion of applicant's request will be postponed until the Commission is informed that the facility is again in full operation.

Applicant also requests authority to assess a rate of \$2.83 per ton, minimum 27 tons, from the production plant of Crystal Silica Company located at Oceanside.

Attached to the application, as Exhibits 1 through 14, are financial statements consisting of a balance sheet as of September 30, 1972, and a profit and loss statement for the nine months ended September 30, 1972; statements showing the development of operating costs from Oceanside and Mission Viejo; and an equipment list and other pertinent data. The exhibits indicate that the need of Owens-Illinois, Inc. for silica sand at its Industry plant is 68.8 loads of 27 tons each in a 22-day work period. The cost studies attached to the application show that based on this volume of traffic from a single production facility, the proposed rates from either origin point would be compensatory.

The application was served on known interested parties and the application was listed on the Commission's Daily Calendar. Applicant requests that it be granted interim relief, pending hearing, similar to that granted to other carriers transporting silica sand. No protest has been received. The Libbey Products Division of Owens-Illinois, Inc. has informed the Commission that it concurs in applicant's request and indicates that applicant is the only carrier it intends to support. The Commission staff has analyzed the application and recommends that interim relief be granted.

Subject to further review at a public hearing it appears, and the Commission finds, that the proposed rates from Oceanside to Industry will be reasonable. Inasmuch as the Mission Viejo plant will not be in full production for a one-year period, and as the proposed rates are predicated upon an average volume of 3.5 loads per day, the request for interim relief from Mission Viejo has not been shown to be justified.

The Commission concludes that applicant should be granted interim authority with respect to movements of silica sand from Oceanside for a six-month period, pending hearing; and that the

request for relief on movements from Mission Viejo should be dismissed without prejudice to the filing of a new application for such authority when operations are recommenced at such origin point.

IT IS ORDERED that:

1. Austin-Laws Truck Lines, Inc. is authorized to charge a rate of \$2.83 per ton, minimum 27 tons per load, for the transportation of processed silica sand, for the Libbey Products Division of Owens-Illinois, Inc. from the production plant of Crystal Silica Company at Oceanside to the plant of Owens-Illinois, Inc. (Libbey Products Division) at 200 Old Ranch Road, City of Industry.

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

3. The portion of the application seeking authority to deviate from minimum rates on silica sand from Mission Viejo is dismissed without prejudice.

The effective date of this order shall be ten days after the date hereof.

Dated at San Francisco, California, this 17th
day of JULY, 1973.

Vernon L. Stenger
President
William Symons, Jr.
James L. ...
...
Commissioners

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