

ORIGINAL

Decision No. 85574

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of BULK TRANSPORTATION, a)
corporation, to perform trans-)
portation services for the)
account of GLASS CONTAINERS)
CORPORATION, in the movement of)
sand at less than minimum rates.)

Application No. 56100
(Filed November 28, 1975)

INTERIM OPINION AND ORDER

By this application, Bulk Transportation, a corporation, requests authority to deviate from the provisions of Minimum Rate Tariff 7-A (MRT 7-A) in connection with the transportation of silica sand for Glass Containers Corporation (GCC) from Oceanside and Weisel to Los Angeles.¹

Applicant states that it and its predecessor companies have transported this commodity for approximately ten years for GCC and it is currently using 15 2-Axle tractors, pulling gravity unloaded, bottom dump, hopper type trailers with dome covers in performing this service. Applicant alleges that it is presently hauling about 14 loads per week from Oceanside and about 45 loads per week from Weisel under the alternative rail provisions of

¹The present minimum rates to Los Angeles are 497 cents per ton from Oceanside and 339 cents per ton from Weisel, subject to a minimum weight of 23 tons. The proposed rates to Los Angeles are \$3.85 per ton from Oceanside and \$2.55 per ton from Weisel and are respectively 22.5 and 24.8 percent less than the minimum rates in MRT 7-A. The proposed rates are subject to a minimum weight of 26 tons. It is also proposed to assess a rate of \$3.00 for each 15 minutes or fraction thereof for loading or unloading time in excess of one hour.

MRT 7-A. Applicant avers that: (1) overhead loading is used at both Oceanside and Weisel; (2) GCC's unloading facilities are open on a twenty-four hour basis seven days per week; and (3) loading and unloading times each generally require twenty minutes.

Revenue and expense data submitted by applicant indicate that the transportation involved may reasonably be expected to be profitable under the proposed rates.

The application was listed on the Commission's Daily Calendar of December 3, 1975. Objections to the granting of the application were received from California Dump Truck Owners Association (CDTOA) and California Trucking Association (CTA).

CDTOA questioned whether the proposed rates would be compensatory to subhaulers who only supply the tractors for such transportation stating, in effect, that the underlying carrier should pay to applicant 25 percent of the proposed rate for trailer rental in those instances where the trailer equipment is owned by applicant. CTA stated that the supporting data do not permit the detailed assessment of the proposal which seems required.

In the circumstances, the Commission finds that:

1. The conditions, which will govern the proposed rates, should satisfy the concern of CDTOA with respect to the involved subhaulers.
2. The cost data, though deficient in certain detail, are sufficient to determine that the proposed rates are compensatory, on an interim basis, for transportation performed by applicant.
3. Applicant shall direct the underlying carriers involved to measure their cost data for the aforementioned transportation during the interim period of this authority for presentation at a public hearing to be scheduled.
4. Applicant shall clarify those areas of its cost data

which are deficient in detail prior to or at the time of hearing.

IT IS ORDERED that:

1. Bulk Transportation, a corporation, is authorized to perform the transportation shown in Appendix A attached hereto and by this reference made a part hereof at not less than the rates set forth and subject to the conditions therein.


2. The authority granted herein shall expire with November 1, 1976, unless sooner cancelled, modified or extended by further order of the Commission.

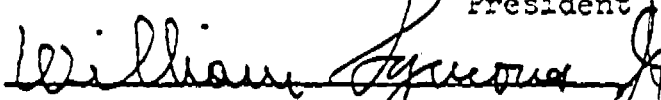

3. Bulk Transportation shall provide the Commission and all parties to this proceeding with the data specified in Findings 3 and 4 hereof.


4. A public hearing shall be scheduled on this application at a date to be set.


This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 16th day of March, 1976.



President



Vernon L. Sturgeon




Commissioners

APPENDIX A

Bulk Transportation, a corporation, is authorized to transport silica sand, in bulk, for Glass Containers Corporation to said shipper's facilities at Los Angeles at the rates indicated:

<u>From</u>	<u>Rate Per Ton</u>
Oceanside	\$3.85
Weisel	\$2.55

Minimum Weight 52,000 pounds.

Conditions:

1. Loading or unloading time in excess of one hour shall be charged at the rate of \$3.00 for each 15 minutes or fraction thereof.
2. The provisions of Item 210 of Minimum Rate Tariff 7-A shall be applied to the rates authorized herein when applicable.
3. Charges to underlying carriers for trailer rental shall be 25 percent of the rates authorized herein in connection with transportation services performed by such underlying carriers under the authority described above.
4. In all other respects, the rates and rules set forth in Minimum Rate Tariff 7-A shall apply.

(END OF APPENDIX A)