

Decision S7 11 002

ORIGINAL NOV 13 1987

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Dalton Trucking, Inc.,)
a California corporation, for)
authority to deviate from the other-)
wise applicable minimum rates in the)
transportation of sinter mix also)
known as mill scale.)

Application 87-07-046
(Filed July 29, 1987)

OPINION

Dalton Trucking, Inc., applicant, is a carrier of general commodities and cement (T-98,782) specializing in the bulk transportation of dump truck commodities. It operates a fleet of more than 71 trucks.

Applicant seeks authority to deviate from Minimum Rate Tariff 7-A (MRT 7-A) rates for the transportation of sinter mix in dump truck type equipment from the Kaiser Steel plant located at Fontana to Kaiser Cement Company's facility located at Cushenbury. The current MRT 7-A rate for this transportation is \$7.31 per ton. Applicant proposes to charge a rate of \$6.07 per ton. Split pickup, split delivery, and/or other accessorial services will not be performed by the carrier.

It is estimated that applicant will be tendered a minimum of 10,000 tons per 12-month period.

Applicant has 28 bottom-dump units; the rest of its fleet is composed of transfer units. The bottom-dump units can haul 28 tons, the other units only 24 tons. Applicant has submitted two sets of calculation showing that each haul will be profitable even if a transfer unit is used.

The loading will be performed by use of front-end loader, which may be furnished by applicant, but is used without expense to applicant as the loading is charged separately for this service, if provided.

Unloading will be performed primarily by applicant's vehicle driving over a hopper. Other methods may include direct rolling discharge to the ground or discharge to a drive-on stock pile.

Loading facilities are available at least five days per week, eight hours per day. Unloading is available at least five days per week, 24 hours per day.

A certified scale will normally be provided for the use of applicant at no cost to applicant or shipper. In the event applicant must provide a certified scale, it will charge back the originator of the haul or its agent. Applicant's drivers are all deputy weighmasters and can perform weighing themselves and sign their own scale tickets, which saves time.

A maximum allowance of 25 minutes for loading and 15 minutes for unloading will be allowed. When the combination of the time limits has been exceeded for any given vehicle on any trip, applicant will be paid \$20 per hour or portion thereof.

Applicant will bill Kaiser Cement Corporation daily. Kaiser Cement Corporation will process the invoices within seven days and will normally pay the invoices within 14 days of processing.

Applicant will not engage underlying carriers (subhaulers) to perform this service.

Applicant alleges that the traffic is desirable and profitable. With its background of experience, applicant is confident of maintaining an efficient and low-cost operation.

Applicant has been performing this particular service for the past year and is fully experienced in the true costs of performing the haul. No other carrier has been involved in this movement during this period.

Applicant alleges that this application is not a significant action affecting the quality of human environment or energy efficiency.

Applicant anticipates achieving an operating ratio of 89.72% on a 24-ton trip. Where equipment permits a 28-ton load the anticipated operating ratio is 82.50%.

Notice of the application was served on the usual parties. Notice appeared in the Commission's Daily Calendar on August 4, 1987. No protests were received, and no hearing is required. Transportation Division staff has recommended that the application be granted without hearing.

Findings of Fact

1. Applicant's transportation involves unique circumstances.
2. Applicant's costs for this transportation are less than those used to set the rates in MRT-7A.
3. The proposed rates are reasonable.
4. Under Public Utilities (PU) Code § 3666 the Commission may authorize a lesser rate than the minimum established rate for not more than one year.

Conclusions of Law

1. The application should be granted.
2. Under PU Code § 3666, the authority granted in the following order should expire in one year.

ORDER

IT IS ORDERED that:

1. Dalton Trucking, Inc. may depart from the rates in MRT 7-A by charging not less than the rates in Appendix A.

2. This authority shall expire one year after the effective date.

3. To be consistent with other deviation orders, the authorization granted here should be effective today.


This order is effective today.

Dated NOV 13 1987, at San Francisco, California.

STANLEY W. HULETT
President
FREDERICK R. DUDA
C. MITCHELL WALK
JOHN B. O'HANIAN
Commissioners

Commissioner Donald Vial, being necessarily absent, did not participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Victor Weiss, Executive Director

ps

APPENDIX A

T-98,782

Carrier: Dalton Trucking, Inc.

Commodity: Sinter mix (mill scale).

Origin: Steel plant built by Kaiser Steel, Fontana.

Destination: Kaiser Cement Company plant, Cushenbury.

Minimum Weight: 24 tons per unit.

Rate: \$6.07/ton.

Conditions:

1. Loading by front-end loader; unloading by gravity.
2. If no certified scale is provided, applicant shall charge the cost of weighing.
3. Maximum allowance, 25 minutes loading and 15 minutes unloading; excess time shall be charged for at \$20 per hour or fraction.
4. If subhaulers are used, they shall receive 100% of the authorized rate.
5. In all other respects, MRT 7-A provisions shall apply.

(END OF APPENDIX A)