

Decision 87 11 048 NOV 25 1987

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
J. C. McClinton Trucking Company,)
Inc., a corporation for authority)
to deviate from the otherwise)
applicable minimum rates for the)
transportation of silica sand in)
bulk for the account of Brockway)
Glass, Pomona, California, pursuant)
to Resolution TS-284, Section 3666)
of the California Public Utilities)
Code.)

ORIGINAL

Application 87-05-043
(Filed May 26, 1987;
amended July 24, 1987)

OPINION

J. C. McClinton Trucking Company, Inc. (applicant) is a California corporation located in Oceanside, California. A current copy of its Articles of Incorporation is on file in our Transportation Division folder T-150,569. Applicant operates as a highway common and a highway contract carrier. It also operates under a dump truck carrier permit.

Applicant has applied for authority to deviate from the minimum rates in Minimum Rate Tariff (MRT) 7-A for the transportation of silica sand in bulk, in dump truck equipment from the mining facility of U.S. Silica at Oceanside, to Brockway Glass Company, in Pomona, California. The current rate for hauling in bottom dump equipment is \$8.45 per ton. Applicant seeks to charge no lower than \$6.86 a ton, with a minimum weight of 26 tons per unit of equipment.

It is alleged that the authority will enable applicant to initiate a service for Brockway Glass Container division, which provided a letter in support of the application.

An attachment to the application indicates that trucks will proceed from Oceanside to Pomona, a distance of 81 miles, and return to Oceanside, with a round-trip mileage of 162. The rate

per ton will be \$6.86 with a minimum of 26 tons per unit of equipment. Revenue per trip is estimated as \$178.36 and expense as \$151.55. Operating revenue per trip is \$26.81, with an operating ratio of 84.97%.

The vehicles will be loaded by gravity after driving under a hopper. Unloading will be performed by gravity after the vehicle drives over a dump hopper. A 15-minute period each will be allowed for both loading and unloading. If the total period exceeds 30 minutes, applicant will be paid in accordance with MRT 7-A. Loading facilities are available 5 days a week, 18 hours per day. Unloading facilities are available on a 24-hour basis, 5 days a week. Applicant has been providing this transportation for the past 7 years. There will be 8 loads per day, 5 days a week, or 2080 loads per year (54,000 tons).

Applicant's balance sheet for the calendar year 1986 shows operating revenue of \$1,698,742 and operating expense of \$1,678,535, with a net revenue of \$20,207. The operating ratio for 1986 was 98.9%.

Applicant does not propose to engage subhaulers in performing the service. If subhaulers are hired, however, they will be paid in accordance with the provisions of MRT 7-A for the transportation of silica sand in bulk.

Copies of the application were mailed to the California Trucking Association at West Sacramento and to the California Dump Truck Owners Association at Upland, California. The filing of the application was noted on the Commission's Daily Calendar on June 1 and 2 and July 30, 1987. There have been no protests or requests for hearing. The Transportation Division recommended that the application be granted.

Findings of Fact

1. Applicant has applied for authority to charge less than the applicable minimum rate on the transportation of silica sand in bulk from Oceanside to Pomona, a one-way distance of 81 miles.

2. The rate per ton will be \$6.86 with a minimum weight of 26 tons per unit of equipment.

3. Revenue per trip is estimated as \$178.36 and expense as \$151.55. Operating revenue per trip is \$26.81, with an operating ratio of 84.97%.

4. The transportation in issue involves unique circumstances.

5. Applicant's costs for this transportation are less than those used to set the rates in MRT 7-A.

6. The proposed rates are compensatory and reasonable.

7. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted as set forth in the following order.

2. As required by Public Utilities Code § 3666, this authority shall expire in one year.

3. This order should be effective on the date signed because there is an immediate need for rate relief.

ORDER

IT IS ORDERED that:

1. J. C. McClinton Trucking Company, Inc., a corporation, 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 of this order.

This order is effective today.

Dated NOV 25 1987, at San Francisco, California.

STANLEY W. HULETT
President

DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN

Commissioners

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



Victor Weisser, Executive Director

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APPENDIX A

Carrier: J. C. McClinton Trucking Company, Inc., a corporation.

Commodity: Silica sand, in bulk.

Origin: U.S. Silica Company, Oceanside, California.

Destination: Brockway Glass Company, Inc. at Pomona, California.

Minimum Weight: 52,000 pounds (26 tons) per unit of equipment.

Rate: \$6.86 per ton.

Conditions:

1. Rates apply only when:
 - a. Silica sand is transported in dump truck type equipment.
 - b. Loading is by overhead hopper and is completed in 15 minutes.
 - c. Unloading is by gravity and is completed in 15 minutes.
2. Loading facilities at origin will be available Monday through Friday, 18 hours a day. Unloading facilities will be available Monday through Friday, 24 hours per day, so applicant can fully utilize its equipment.
3. Any subhaulers shall be paid in accordance with the rates and rules in MRT 7-A.
4. In all other respects, the rates and rules in MRT 7-A apply.

(END OF APPENDIX A)