

Decision 88 01 009 JAN 13 1988**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 Iron Horse Equipment Corporation, a)
 California corporation, for)
 authority to depart from the rates,)
 rules, and regulations of Minimum)
 Rate Tariff 7-A in the transporta-)
 tion of bulk gypsum for the account)
 of Lime Mountain Mining.)

Application 87-10-003
 (Filed October 8, 1987)

OPINION

Iron Horse Equipment Corporation (applicant) is a California corporation located in Adelanto, California. A copy of its Articles of Incorporation is in Commission Transportation File T-129254. Applicant hauls throughout the State of California under authority of a dump truck carrier's permit.

Authorization is requested to deviate from minimum rates for the transportation of limestone, in bulk, in dump truck equipment, from Lime Mountain Mining near Paso Robles to Santa Clara.

The limestone in this application will be used in the manufacture of glass products. Minimum rates for such transportation are provided in Item 320 of Minimum Rate Tariff (MRT) 7-A. The tariff rate applicable to the transportation is \$15.30 per ton, including a 2.2% surcharge, on a minimum weight of 24 tons. Applicant proposes a rate of \$11.00 per ton, with no surcharge, on a minimum weight of 26 tons per unit of equipment. This rate will only be applied when the transportation includes a backhaul of salt, as provided in Appendix A, attached hereto. In all other respects, the rates and rules set forth in MRT 7-A shall apply.

The application is based on the following facts and circumstances:

1. The transportation will be on a regular continuing basis. Anticipated annual volume of 10,000 tons will be tendered at the carrier's convenience; that is, applicant will transport limestone at the sought rate only when a unit of equipment is in the vicinity of the origin (Paso Robles).

2. Equipment performing the involved transportation will be based at the carrier's yard in Bakersfield, California.

3. The loading of vehicles is performed by power equipment by the consignor. Unloading is performed by the opening of the bottom discharge valve, with the load dropped by gravity. Applicant is experienced in performing this type of transportation and its records show that loading and unloading times will be within the free time allowed in MRT 7-A.

4. Time in excess of allowed free time shall be assessed in accordance with Item 90 of MRT 7-A.

5. Applicant has modern lightweight equipment with payload capacity in excess of 28 tons per unit.

6. Applicant and its personnel are very experienced in handling this type of dump truck operation.

7. The service for which a deviation has been requested is currently being performed by Bulk Transportation (Bulk) of Walnut, California. Bulk has been furnished a copy of the application with its attachments, and has not opposed the request to charge a deviated rate.

8. Applicant has provided a letter dated September 28, 1987, from Lime Mountain Co., the shipper, which supports the application.

9. Applicant will not use subhaulers in this transportation, but if any should be employed, they will be paid 100% of the requested deviated rate.

Appendixes attached to the application provide cost studies with respect to the proposed transportation at the deviated

rate. The studies indicate that the transportation at the proposed rates will be compensatory.

Copies of the application were mailed to Bulk, to the California Trucking Association in West Sacramento, and to the California Dump Truck Owners Association in the City of Industry, California. Notice of the filing of the application appeared in the Commission's Daily Calendar on October 13, 1987. There have been no protests or requests for hearing.

Findings of Fact

1. Applicant seeks authority to assess rates less than the minimum rates set forth in MRT 7-A for the transportation of bulk gypsum from Paso Robles to Santa Clara.
2. The tariff rate is \$15.30 per ton, including surcharge, on a minimum weight of 24 tons.
3. Applicant proposes a rate of \$11.00 per ton with no surcharge, on a minimum weight of 26 tons.
4. The proposed deviated rate will only be applied when there is a backhaul of salt.
5. Loading will be by power equipment operated by the consignor. Unloading will be by gravity.
6. Loading and unloading times will be within the free time allowed in MRT 7-A.
7. The service for which the deviation is requested has been performed by Bulk. Bulk has received a copy of this application and has not opposed the requested deviation.
8. Applicant has provided a supporting letter from the shipper.
9. Cost data submitted with the application indicate that transportation at the proposed rate will be compensatory.
10. Applicant has stated that subhaulers will not be engaged.
11. No protests have been received.
12. A public hearing is not necessary.
13. The proposed rate is reasonable.

Conclusions of Law

1. The application should be granted to the extent set forth in the following order.
2. This order will be made effective today as there is an immediate need for relief.
3. Since transportation conditions may change, this authority should expire in one year.

ORDER

IT IS ORDERED that:

1. Iron Horse Equipment 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 JAN 13 1988, at San Francisco, California.

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

Commissioner Stanley W. Hulett
being necessarily absent, did
not participate.

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


Victor Weissert, Executive Director

APPENDIX A

Rates and Charges to be Assessed

Commodity: Limestone, in bulk, in dump truck equipment.

Rate: \$11.00 per ton.

Surcharge: Not applicable.

Minimum Weight: 26 tons per load.

Origin: Lime Mountain Mining, near Paso Robles, CA.

Destination: Santa Clara, CA.

Annual Shipments: 400 (approximately).

Conditions:

1. Carrier agrees to haul ground limestone from shipper's facilities located near Paso Robles, CA to shipper's customers at Santa Clara, CA.
2. Applicant does not propose to engage subhaulers in performing the movements listed herein, but if any should be employed they shall be paid 100% of the deviated rate.
3. Multiple stop service will not apply to the movements listed herein.
4. The rate listed herein shall apply only in connection with backhaul shipments of salt in the same unit of carrier's equipment to South Gate, South Belridge, Coalinga, or San Ardo. When the backhaul shipment named herein is to South Gate area the revenue shall not be less than \$575.00 per truckload. When the backhaul named herein is to San Ardo the revenue shall not be less than \$350.00 per truckload. When the backhaul named herein is to South Belridge or Coalinga the revenue shall not be less than \$380.00 per truckload.
5. In all other respects, the provisions of MRT 7-A shall apply.

(END OF APPENDIX A)