

Decision 88 03 019 MAR 09 1988**ORIGINAL**

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 silica sand
 in bulk.

Application 87-11-021
 (Filed November 19, 1987)

OPINION

Dalton Trucking, Inc. (applicant) is a California corporation located in Fontana, California. A certified copy of its Articles of Incorporation is in Commission Transportation File T-98782. Applicant operates as a dump truck carrier, highway contract carrier, highway common carrier, cement carrier, heavy specialized carrier, and an agricultural carrier. Applicant operates a fleet of more than 71 trucks hauling dump truck commodities in bulk throughout Southern California.

Applicant is requesting authority to deviate from the minimum rates in Minimum Rate Tariff (MRT) 7-A on the transportation of silica sand in bulk from U.S. Silica in Oceanside, California to Merlex Stucco Company (Merlex) in Orange, California. The current minimum rate for said transportation is listed in Item 290 of MRT 7-A as \$7.42 per ton, based on a minimum weight of 24 tons per load. Applicant proposes a rate of \$6.95 per ton on a minimum weight of 26 tons. Applicant expects that the transportation will involve approximately 10,000 tons per year.

Applicant has included computed costs in an appendix to the application on its proposed payload of 26 tons. Revenue will total \$180.70 on a round trip of 124 miles. Costs total \$136.58 with an operating revenue of \$44.11 per trip and an operating ratio of 75.59%. Applicant has attached to its application an October 23, 1987 letter from the shipper, Merlex. The letter

requests that the application be granted so Merlex can successfully compete with other stucco manufacturers in the Southern California market.

Loading will be performed by the applicant utilizing an overhead hopper. Loading facilities are available at least five days per week, 24 hours a day. Unloading is by direct discharge over a grizzly hopper which then stacks the material in a stockpile. Unloading facilities are available at least five days per week, between 4:30 a.m. and 5:00 p.m. In the event of loading or unloading delays beyond a combined total of 60 minutes, applicant will charge Merlex at a rate of \$20 per hour or portion thereof. Applicant will perform the service with four covered dome hoppers operating out of Oceanside.

Applicant alleges that subhaulers will be paid 100% of the requested deviated rate if employed to perform this transportation.

The Transportation Division staff has advised that it has reviewed the application and believes it is one which, in the absence of protest, may be granted by ex parte order.

Copies of the application were mailed to the California Carriers Association in San Francisco, the Associated Independent Owner Operators in Norwalk, the California Dump Truck Owners Association in Upland, and the California Trucking Association in West Sacramento. Notice of the filing appeared in the Commission Daily Transportation Calendar on November 23, 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 silica sand in dump truck equipment from U.S. Silica in Oceanside to Merlex in Orange.

2. It is estimated that applicant will be tendered approximately 10,000 tons over a period of one year.

3. Loading will be performed by the applicant utilizing an overhead hopper.

4. Unloading is by direct discharge over a grizzly hopper which then stacks the material in a stockpile.

5. Loading facilities are available five days a week, 24 hours a day. Trucks unload five days a week, between 4:30 a.m. and 5:00 p.m.

6. If loading and unloading require a combined period of more than one hour, Merlex will be charged \$20 for every extra hour or portion thereof.

7. Cost data submitted with the application indicate that the transportation will be compensatory if the proposed rate is charged.

8. If subhaulers are hired, they will be paid the entire deviated rate.

9. No protests have been received.

10. A public hearing is not necessary.

11. The proposed rate is reasonable.

12. 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 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. 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 of this order.

This order is effective today.

Dated MAR 09 1988, at San Francisco, California.

STANLEY W. HULETT
President

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

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

Victor Weiss
Victor Weiss, Executive Director

APPENDIX A

T-98,782

Carrier: Dalton Trucking, Inc.

Commodity: Silica sand in bulk.

Origin: U.S. Silica, Oceanside.

Destination: Merlex Stucco Company, Orange.

Minimum Weight: 26 tons.

Rate: \$6.95 per ton.

Conditions:

1. Should this transportation be performed by subhaulers, each subhauler shall be compensated at rates not less than those named in this appendix.
2. A maximum of 60 minutes will be allowed for loading and unloading combined. When both loading and unloading time combined totals more than 60 minutes, Merlex Stucco Company shall pay the carrier \$20 per hour or portion thereof.

(END OF APPENDIX A)