

JUN 9 1988

Decision SS 06 020 JUN 8 1988**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Par Trucking, Inc. (T136535), a)
California corporation, for)
authority to depart from the rates,)
rules, and regulations of Minimum)
Rate Tariff 7-A in the transporta-)
tion of sand for the account of La)
Habra Products under the provisions)
of Section 3666 of the California)
Public Utilities Code.)

Application 87-11-009
(Filed November 6, 1987)

OPINION

Par Trucking, Inc. (Par) requests authority to charge less than the minimum established rates named in Minimum Rate Tariff (MRT) 7-A for transportation of sand, in bulk, from the plant of U.S. Silica in Oceanside to the facilities of La Habra Products in Anaheim. According to the application, the proposed rate of \$.275 per cwt. (equivalent to \$5.50 per ton) is a "backhaul" rate which would apply only when the transportation is performed in conjunction with a matching "fronthaul" consisting of bulk cement transportation from Victorville to either Irwindale or Pedley (near Riverside). Otherwise, the minimum established rate of \$6.98 per ton plus 2.2% surcharge would apply.

Par states that it previously held authority to assess less than minimum rates for this transportation pursuant to Commission authority granted by Decision 83-04-033. That authority subsequently expired, and Par now proposes to resume service at deviated rates.

Details of the proposal are set forth in an appendix to the application. In addition to a minimum weight of 52,000 pounds, the following conditions would apply:

1. Rate will apply only in connection with shipments immediately preceded by hauls as described on page 4 [of the application].
2. If subhaulers are employed, they shall be paid not less than the rate named in this Appendix.
3. Time in excess of one hour for loading and one hour for unloading shall be assessed at the rate of \$16.00 for the first 30 minutes and \$8.00 for each succeeding 15 minutes or fraction thereof.
4. In all other respects, the provisions of MRT 7-A shall apply to this transportation.

In support of the request, Par asserts that efficient unloading is accomplished through the use of pneumatic trailing equipment which incorporates air pressure to speed the unloading process. Additionally, by matching the transportation from Oceanside with previous revenue movements from Victorville to either Irwindale or Pedley, fewer empty miles will be travelled than if the Victorville-based trucks were to be dispatched empty directly to Oceanside and returned empty to Victorville upon completion of unloading at Anaheim.

Par has prepared a cost study in order to show that this matched transportation will be compensatory when the revenue anticipated under the proposed sand rate is combined with bulk cement transportation revenues of at least \$203.53 (in the case of Irwindale movements) or at least \$182.88 (in the case of Pedley movements). The study shows that these combined revenues will exceed total trip costs by \$16.80 for Irwindale movements and by \$13.27 for Pedley movements.

Notice of filing of the application appeared in the Daily Transportation Calendar dated November 12, 1987. No protests have been received. The Motor Carrier Planning and Policy Branch has advised that Par fulfilled staff data requests, resolving initial

staff concerns about deficiencies in the application. It believes that the application should be granted.

Findings of Fact

1. Applicant's transportation involves unique circumstances.
2. Applicant has demonstrated that the proposed rate will be compensatory when applied to shipments immediately preceded by a bulk cement shipment, as described in the body of this opinion, in the same unit of equipment.
3. The proposed rate is reasonable.
4. Under Public Utilities Code Section 3666 the Commission may authorize a lesser rate than the minimum established rate for not more than one year.

Conclusions of Law

1. The proposed relief should be granted.
2. Under Public Utilities Code Section 3666 the authority granted in the following order should expire in one year.
3. The order should be effective on the date signed because there is an immediate need for rate relief.

ORDER

IT IS ORDERED that:

1. Par Trucking, Inc. may depart from the rates in MRT 7-A by charging not less than the rates in Appendix A, subject to the conditions stated therein.

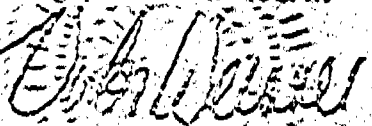
2. This authority shall expire one year after the effective date.

This order is effective today.

Dated June 8, 1988, at Carson, 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 Weissert, Executive Director

APPENDIX A

Carrier: Par Trucking, Inc.

Shipper: La Habra Products, Inc.

Commodity: Sand, in bulk.

Rate: \$.2750 per cwt.

Minimum Weight: 52,000 lbs.

Origin: The plant of U.S. Silica in Oceanside, CA.

Destination: La Habra Products, Anaheim, CA.

Conditions:

1. The named rate will apply only to shipments immediately preceded by shipments of cement, in bulk, in the same unit of equipment, as follows:
 - a. From Victorville to Irwindale, subject to a minimum revenue of \$203.53.

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- b. From Victorville to Pedley, subject to a minimum revenue of \$182.88.

Transportation shall be performed with units of equipment which are stationed in Victorville.

2. If subhaulers are employed, they shall be paid not less than the rate named in this Appendix.
3. Time in excess of one hour for loading and one hour for unloading shall be assessed at the rate of \$16.00 for the first 30 minutes and \$8.00 for each succeeding 15 minutes or fraction thereof.
4. In all other respects, the provisions of MRT 7-A shall apply to this transportation.

(END OF APPENDIX A)

ORDER

IT IS ORDERED that:

1. Par Trucking, Inc. may depart from the rates in MRT 7-A by charging not less than the rates in Appendix A, subject to the conditions stated therein.
2. This authority shall expire one year after the effective date.

This order is effective today.

Dated JUN 8 1988, at San Francisco, California.

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
C. MITCHELL WILK
JOHN B. OHANIAN
Commissioners