

JUN 8 1988

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Decision 88 06 027

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)
 otherwise applicable minimum rates)
 in the transportation of cement)
 clinker.)

Application 88-02-047
(Filed February 25, 1988)

OPINION

Dalton Trucking, Inc. (applicant) seeks authority to assess less than the minimum rates in Minimum Rate Tariff (MRT) 7-A for the transportation of cement clinker on behalf of Riverside Cement Company from Riverside Cement Company's facility located near Oro Grande, California to Kaiser Cement Company's cement plant at or near Cushenberry, California: (1) at the deviated rate of \$3.60 per ton or (2) at the deviated rate of \$2.80 per ton when linked to the secondary transportation of limestone between Pfizer's Limestone Quarries at Lucerne Valley, California and the Riverside Cement Company plant at Crestmore, California. The deviation requested herein was originally granted by Decision 87-01-020, dated January 14, 1987, in Application (A) 86-09-011. This decision will extend applicant's deviation authority for an additional year. The secondary movement is authorized at a rate of \$6.50 per ton (minimum 24 tons) by Decision 85-08-062 dated August 21, 1985 in A.85-04-113.

Applicant will haul a minimum of 24 tons, which permits use of either its truck and transfer fleet, or bottom dump trailers. The former is legally limited to 24 tons and the latter to 28 tons.

The application sets forth the following facts and circumstances in support of the request:

1. It is estimated that applicant will be tendered up to 20,000 tons per 12-month period; to be divided into eight approximately equal monthly increments.
2. The loading will be performed by use of a front-end loader furnished and used without expense to applicant or by applicant's vehicle driving under a hopper with a clam feeder which is operated by the driver pulling a handle.
3. Unloading will be performed by applicant's vehicle driving over a hopper or by direct rolling discharge to the ground or a drive-on stock pile.
4. Loading facilities are available at least five days per week, 24 hours per day. Unloading is available at least five days per week, 24 hours per day.
5. A certified scale will be maintained by shipper for the use of applicant.
6. A maximum allowance of 25 minutes for loading and 15 minutes for unloading will be allowed. When the combination of the two times has been exceeded for any given vehicle on any trip, applicant will be paid \$17.50 per hour or portion thereof.
7. Applicant will bill Riverside Cement Company daily for the tons transported. Riverside Cement Company will process the invoices within seven days of receipt for payment and will normally pay the invoices within 14 days of processing. This will greatly enhance applicant's cash flow.
8. Applicant will not engage underlying carriers (subhaulers) to perform this service.

Appendix A, attached to the application, is a cost study which shows that the primary haul between Oro Grande and

Cushenberry will be profitable, with an operating ratio of 90.43%. When the primary haul is linked to the secondary haul of limestone from Pfizer at Lucerne Valley to Riverside Cement Co. at Crestmore, the operating ratio for the combined transportation, charging the proposed deviated rates, is 86.21%.

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.

Notice of the filing of the application appeared in the Commission's Daily Transportation Calendar of March 1, 1988. No protests to the granting of the application have been received.

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 cement clinker from Riverside Cement Company's facility near Oro Grande to Kaiser Cement Company's cement plant near Cushenberry.

2. It is estimated that applicant will be tendered up to 20,000 tons per 12-month period; to be divided into eight approximately equal monthly increments.

3. The loading will be performed by use of a front-end loader furnished and used without expense to applicant or by applicant's vehicle driving under a hopper with a clam feeder which is operated by the driver pulling a handle.

4. Unloading will be performed by applicant's vehicle driving over a hopper or by direct rolling discharge to the ground or a drive-on stockpile.

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

6. A certified scale will be maintained by shipper for the use of applicant.

7. A maximum allowance of 25 minutes for loading and 15 minutes for unloading shall be allowed. When the combination of

the two times has been exceeded for any given vehicle on any trip, applicant will be paid \$17.50 per hour or portion thereof.

8. Applicant will bill Riverside Cement Company daily for the tons transported. Riverside Cement Company will process the invoices within seven days of receipt for payment and will normally pay the invoices within 14 days of process. This will greatly enhance applicant's cash flow.

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. The effective date of this order should be today as there is an immediate need for the relief requested.

3. Since transportation conditions may change, this authority should expire in one year.

ORDER

IT IS ORDERED that:

1. Dalton Trucking, Inc. may depart from the rates in MRT-7A 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 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 Weller, Executive Director

APPENDIX A

Carrier: Dalton Trucking, Inc.
Commodity: Cement Clinker
Origin: Riverside Cement Company, Oro Grande
Destination: Kaiser Cement Company cement plant, Cushenberry.
Rate: \$3.60 or \$2.80 per ton (See Conditions).
Minimum Weight: 24 tons.

Conditions:

1. The \$2.80 per ton rate will apply only when the transportation of cement clinker for Riverside Cement Company is combined with a secondary (backhaul) haul in the same vehicle, transporting limestone from Pfizer's Limestone Quarries at Lucerne Valley to Riverside Cement Company at Crestmore.
2. Should this transportation be performed by subhaulers, such subhaulers shall be compensated at rates not less than those named in the Appendix.
3. A maximum of 25 minutes for loading and 15 minutes for unloading will be allowed. When the combination of these two times has been exceeded on any trip, carrier shall be paid \$17.50 per hour or portion hereof.

(END OF APPENDIX A)

ORDER

IT IS ORDERED that:

1. Dalton Trucking, Inc. may depart from the rates in MRT-7A 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 JUN 8 1988, at San Francisco, California.

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