

JUL 11 1988

ORIGINAL

Decision 88-07 018 JUL 8 1988

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Apex Bulk Commodities)
 for authority to deviate from the)
 minimum rates and regulations in)
 Minimum Rate Tariff 7-A for the)
 transportation of bulk lightweight)
 aggregate for the account of)
 ANGELUS BLOCK CO., INC.)

Application 88-04-006
 (Filed April 4, 1988)

OPINION

Apex Bulk Commodities (applicant) is a California corporation with its principal place of business in Whittier, California. A certified copy of its Articles of Incorporation is on file with the Commission under T-146,226.

Applicant is a highway contract carrier, highway common carrier, cement carrier, dump truck carrier, and an agricultural carrier under various authorities issued by the Commission.

Applicant is requesting authority to deviate from the minimum rates for the transportation of lightweight aggregate in bulk from Twin Mountain Rock at Little Lake, California, to the Angelus Block Co., Inc., installations located at Sun Valley, Orange, Fontana, and Redondo Beach. All destinations are located in the State of California. The minimum rates for the said transportation are provided in Item 340 of Minimum Rate Tariff (MRT) 7-A based upon a minimum weight of 18 tons per shipment. The following is a comparison of existing and proposed rates and revenues on the transportation of aggregate from Little Lake to the various destinations. Applicant's rates will apply on shipments with a minimum weight of 27 tons.

<u>Destination</u>	<u>Miles</u>	<u>Current 7-A Rate</u>	<u>Revenue (Rate at 18 tons)</u>	<u>Proposed Rate</u>	<u>Revenue (Rate at 27 tons)</u>
Sun Valley	141	\$15.46+2.2%	\$284.40	\$10.69	\$288.63
Gardena	165	17.38+2.2%	319.72	12.52	338.04
Orange	185	19.30+2.2%	355.04	14.03	378.81
Fontana	148	15.94+2.2%	293.23	11.21	302.67

Apex alleges the following facts in support of the application:

1. The trucks will be loaded by the consignor with a skiploader, while parked on scale to guarantee a maximum legal payload. The loading process will take no more than 20 minutes and the facilities are available from 6:00 a.m. to 10:00 p.m. The trucks are unloaded by gravity at the consignee's facilities; two are open 24 hours a day and the others from 6:00 a.m. to 5:00 p.m.

2. Angelus Block Co., Inc. will require transportation of approximately 100,000 tons of aggregate spread evenly over a 12-month period. Two of the plants will take 75% of the tonnage, and the balance will go to the remaining facilities.

3. Applicant has included an "Expense and Revenue Statement" for each of the four hauls. Operating ratios vary from 85% to 86%. It is evident from the financial information that the proposed transportation should be profitable.

4. Applicant will haul 2 loads per day, per truck, and will have vehicles based in Lancaster and Victorville for the convenience of the shipper.

5. Applicant's vehicles can easily haul 27 tons and applicant has its own repair shop where it completes all of its own maintenance and repair.

6. Applicant provided a complete balance sheet and income statement for the period ended November 30, 1987 and its overall operation is profitable.

7. Angelus Block Co., Inc. provided a letter in support of the application which indicated a need for approximately 100,000 tons of aggregate a year.

8. Applicant does not anticipate that it will be using subhaulers, but if subhaulers are hired they will be paid 100% of the MRT 7-A rates.

A copy of the application was mailed to the California Trucking Association in West Sacramento, and to the California Dump Truck Owners Association, in Upland, California. Notice of the filing of the application was included in the Commission's Daily Calendar on April 7, 1988. 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 lightweight aggregate from Twin Mountain Rock, at Little Lake, California, to Sun Valley, Orange, Gardena, and Fontana.

2. Applicant will be tendered approximately 100,000 tons of aggregate per 12-month period.

3. Loading will be by skiploader operated by the consignor. Loading facilities are available from 6:00 a.m. to 10:00 p.m.

4. The trucks are unloaded by gravity. Two consignees are open 24 hours a day and the other two from 6:00 a.m. to 5:00 p.m.

5. Cost data submitted with the application indicate that the transportation at the proposed rates will be compensatory.

6. If subhaulers are engaged they will be paid the applicable MRT 7-A rate.

7. No protests have been received.

8. A public hearing is not necessary.

9. The proposed rates are reasonable.

Conclusions of Law

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

2. Since there is an immediate need for the sought relief, the effective date of the order should be today.

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

ORDER

IT IS ORDERED that:

1. Apex Bulk Commodities is authorized to depart from the provisions of MRT 7-A to the extent set forth in Appendix A attached.

2. The authority granted shall expire one year after the effective date of this order unless sooner canceled or extended by order of this Commission.

3. In all other respects, the provisions of MRT 7-A shall apply. ✓

This order is effective today.

Dated July 8, 1988, at San Francisco, California.

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

Commissioner Frederick R. Duda,
being necessarily absent, did not
participate.

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


Victor Weissert, Executive Director
AB

APPENDIX A

Carrier: Apex Bulk Commodities.

Commodity: Bulk lightweight aggregate.

Origin: Twin Mountain Rock, at Little Lake, California.

Destinations: Angelus Block Co., Inc. at Sun Valley.
Angelus Block Co., Inc. at Orange.
Angelus Block Co., Inc. at Gardena.
Angelus Block Co., Inc. at Fontana.

Rate: \$10.69 per ton to Sun Valley.
\$14.03 per ton to Orange.
\$12.52 per ton to Gardena.
\$11.21 per ton to Fontana.

Minimum Weight: 27 tons.

Condition: Should this transportation be performed by subhaulers, such subhaulers shall be paid the MRT 7-A rate, without deductions.

(END OF APPENDIX A)

2. Since there is an immediate need for the sought relief, the effective date of the order should be today.

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

ORDER

IT IS ORDERED that:

1. Apex Bulk Commodities is authorized to depart from the provisions of MRT 7-A to the extent set forth in Appendix A attached.

2. The authority granted shall expire one year after the effective date of this order unless sooner canceled or extended by order of this Commission.

3. In all other respects, the provisions of MRT A-7 shall apply.

This order is effective today.

Dated JUL 8 1988, at San Francisco, California.

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

Commissioner Frederick R. Duda
being necessarily absent, did not
participate.