

NOV 10 1988

Decision 88 11 019 NOV 9 1988

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 Siliceous Limestone and Iron Ore for CalMat.

ORIGINAL

Application 88-07-013 (Filed July 11, 1988; amended September 15, 1988)

OPINION

Dalton Trucking, Inc. (applicant) is a California corporation located in Fontana. A certified copy of its Articles of Incorporation is on file with the Commission in File T-98,782. Applicant operates as a dump truck carrier, highway contract carrier, highway common carrier, heavy specialized carrier, certificated cement common carrier and agricultural carrier.

Applicant hereby applies for authority to deviate from the applicable rates for the transportation of:

Commodity: Siliceous Limestone*
Movement: Oro Grande to Colton**
Current MRT 7-A Rate: \$6.54/ton
Proposed Rate: \$4.54/ton - 24 ton minimum

Commodity: Iron Ore
Movement: Baxter Mine to Mojave
Current MRT 7-A Rate: \$14.25/ton
Proposed Rate: \$11.25/ton - 24 ton minimum

Commodity: Iron Ore
Movement: Baxter Mine to Oro Grande
Current MRT 7-A Rate: \$9.56/ton
Proposed Rate: \$7.56/ton - 24 ton minimum

* Applicant proposes to haul either silica sand, limestone, or a combination of silica sand/limestone (siliceous limestone). These three product descriptions are listed to insure authority to haul what could ultimately be determined as either limestone, silica or a

combination of the two. All items are listed under Item 40 of Minimum Rate Tariff (MRT) 7-A.

** The proposed haul could originate from any of three sites at Oro Grande; Vinnell's Mine, Riverside Cement's Mine, or CalMat's own Superior Mine. All three mines are located on the same general mine site, separated by only one mile in distance. The rate justification statement reflects worst case mileages.

Applicant operates more than 85 trucks as a carrier specializing in the transportation of dump truck commodities. It is estimated that the combined transportation will total more than 15,000 tons per year.

Loading is to be performed by the shipper primarily by use of front end loaders or overhead hoppers at no cost to the applicant. Scaling facilities are located at the loading sites and will be provided at no cost to the applicant. Loading facilities are available at least 5 days per week, 16 hours per day. Unloading is performed primarily by rolling discharge or direct discharge over a grizzly hopper which then stacks the material in a stockpile. Unloading facilities are available at least 5 days per week, 16 hours per day. In the event of loading or unloading delays beyond a combined total of 60 minutes, applicant will charge CalMat at a rate of \$20 per hour or portion thereof.

Underlying carriers (subhaulers) will not be hired to perform this transportation.

Applicant has included in an appendix a payload figure below what it actually intends to haul per load so the Commission can be assured that even at the lowest level, profit can be generated. A 24-ton minimum will also allow applicant to better utilize that part of its dump truck and trailer fleet which cannot haul the 27.5 ton payload possible with its bottom dump fleet.

Applicant's existing fleet is adequate to perform the services needed. It is estimated that the average speed of vehicles performing this transportation will be 42 miles per hour.

Appendixes attached to the application provide cost studies with respect to the subject application. The studies indicate that the transportation at the proposed rates will be compensatory.

The shipper, CalMat Co., has provided a letter dated June 30, 1988 supporting the application.

Copies of the application were mailed to California Carriers Association in San Francisco; Associated Independent Owner Operators, Norwalk; California Dump Truck Owners Association, Upland; and the California Trucking Association, West Sacramento. Notice of the filing of the application and the amendment thereto appeared in the Commission's Daily Calendar on July 13, 1988 and September 20, 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 siliceous limestone from Oro Grande to Colton, and iron ore from Baxter Mine to Mojave and Oro Grande.
2. It is estimated that applicant will be tendered up to 15,000 tons per year on this operation.
3. Loading will be performed by a front end loader operated by the shipper at no cost to the applicant.
4. Unloading is performed by direct discharge over a hopper, which then stacks the material.
5. Loading facilities are available at least 5 days a week, 16 hours per day.
6. Unloading facilities are also available at least 5 days per week, 16 hours a day.

7. Scales are available at the loading sites, for applicant's use, without charge.

8. In the event of loading or unloading delays beyond a combined total of 60 minutes, applicant will charge the shipper at a rate of \$20 per hour or portion thereof.

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

3. This authority should expire in one year.

ORDER

IT IS ORDERED that:

1. Dalton Trucking, Inc. 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.

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

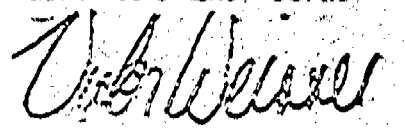
This order is effective today.

Dated NOV 9 1988, at San Francisco, California.

STANLEY W. HULETT
President

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

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


Victor Weisser, Executive Director

APPENDIX A

Carrier: Dalton Trucking, Inc.

Commodity: Siliceous Limestone

Origin: Oro Grande

Destination: Colton

Rate: \$4.54 per ton: 24 ton minimum

Commodity: Iron Ore

Origin: Baxter Mine

Destination: CalMat-Mojave

Rate: \$11.25 per ton: 24 ton minimum

Commodity: Iron Ore

Origin: Baxter Mine

Destination: RCC-Oro Grande

Rate: \$7.56 per ton: 24 ton minimum

Conditions:

1. Should this transportation be performed by subhaulers, such subhaulers 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. If delays occur requiring a combined time greater than 60 minutes, the shipper will be charged at a rate of \$20 per hour or portion thereof.
3. The authority granted shall expire November 9, 1989.
4. In all other respects, the rates and rules in Minimum Rate Tariff 7-A shall apply.

(END OF APPENDIX A)