

Decision 88 11 020

NOV 9 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 Henry T. Tuey, Inc., a California)
 Corporation, for authority to depart)
 from the rates, rules and regulations)
 of Minimum Rate Tariff 7-A in the)
 transportation of rock, sand, and)
 gravel in bulk in dump truck)
 equipment for Industrial Asphalt)
 under provisions of Section 3666 of)
 the Public Utilities Code.)

Mailed

NOV 10 1988

Application 88-07-027
(Filed July 18, 1988)

OPINION

Henry T. Tuey, Inc. (applicant) is a California corporation operating out of Bakersfield. A copy of its Articles of Incorporation is on file with the Commission in File T-133528.

Applicant is applying for authority to deviate from minimum rates for the transportation of rock, sand, and gravel in bulk in bottom dump equipment from the San Emidio Rock Plant located approximately 10 miles east of Maricopa on Highway 166 to the facilities of Bakersfield Ready Mix, located on Panama Lane between Old River Road and Gosford Road, near Bakersfield, for Industrial Asphalt, Inc., at a rate of \$2.35 per ton, with a minimum weight of 25 tons per load. This deviation was originally granted by Decision 84-07-029 dated July 5, 1984 in Application 84-03-059. It has been renewed annually since the original grant.

Applicant has provided the following information as justification for continuing to charge the deviated rate.

Applicant has attached its November 30, 1987 balance sheet and income statement, along with a cost analysis of transportation performed at the deviated rate. The analysis indicates that the transportation will be profitable, with an operating ratio of 82.62%.

The transportation conditions which justified the original deviation continue to exist and a continuation of the authority is necessary.

- a. The transportation is performed on a regular, continuing basis. Equipment works from 8 to 10 hours on days when services are performed. Up to 10 units of equipment work at one time.
- b. Equipment performing the involved transportation is stored at applicant's yard located near Old River Road and Houghton Road. This point is approximately two and one-half miles from consignee's facility and is located along the route traveled between origin and destination. Consequently, there is no additional empty mileage involved in the dispatching of applicant's equipment.
- c. The loading of equipment is performed by power equipment operated by consignor. Unloading is performed by the opening of the hopper bottoms of carrier's equipment, the lading being discharged by gravity. Records of applicant show that typical loading time is ten minutes or less, and typical unloading time is five minutes or less.
- d. Applicant and applicant's personnel are experienced in this type of transportation, operating as a dump truck carrier.

Industrial Asphalt, Inc., the shipper, has provided a letter dated June 2, 1988 in support of the application.

Applicant has stated that subhaulers will not be used to perform this transportation.

Findings of Fact

1. Applicant seeks authority to assess rates less than the minimum rates set forth in Minimum Rate Tariff (MRT) 7-A for the transportation of rock, sand, and gravel in bulk in dump truck

equipment from San Emidio Rock Plant near Maricopa to Bakersfield Ready Mix near Bakersfield.

2. This deviation was originally authorized in 1984 and has been renewed on an annual basis.

3. Up to 10 units work 8 to 10 hours a day on days service is performed.

4. Equipment is stored between Maricopa and Bakersfield to facilitate service and reduce operating expense.

5. Loading is performed by the consignor and unloading is by gravity through the bottom of applicant's trucks.

6. Loading takes about 10 minutes, and unloading 5 minutes as a maximum.

7. The shipper has provided a letter supporting the application.

8. Cost data submitted with the application indicate that transportation at the proposed rate will be compensatory.

9. Applicant has stated that subhaulers will not be engaged.

10. No protests have been received.

11. A public hearing is not necessary.

12. 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. Henry T. Tuey, 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. OHANIAN
Commissioners

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



Victor Weisner, Executive Director

JB

APPENDIX A

Carrier: Henry T. Tuey, Inc.

Commodity: Rock, sand, and gravel in bulk.

Origin: San Emidio Rock Plant (located approximately 10 miles east of Maricopa and 3 miles west of Old River Road on Highway 166).

Destination: Bakersfield Ready Mix (located between Old River Road and Gosford Road on Panama Lane near Bakersfield).

Rate: \$2.35 cents per ton.

Minimum Weight: 25 tons.

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. The authority granted shall expire November 9, 1989.
3. In all other respects, the rates and rules in Minimum Rate Tariff 7-A shall apply.

(END OF APPENDIX A)