

ORIGINAL

Decision 88 12 014 DEC 9 1988

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of J. C. McClinton )  
Trucking Co., Inc. a corporation, )  
for authority to deviate from the )  
otherwise applicable minimum rates )  
of silica sand for Brockway Glass )  
Company, Inc., pursuant to Section )  
3666 of the California Public )  
Utilities Code. )

Application 88-09-007  
(Filed September 2, 1988)  
Mailed

DEC 13 1988

OPINION

J. C. McClinton Trucking Company, Inc. (applicant) is a California corporation located in Corona, California. A current copy of its Articles of Incorporation is on file in Commission Transportation Division folder T-150,569. Applicant operates as a dump truck carrier, a highway contract carrier, and a highway common carrier.

Applicant has applied for authority to deviate from the minimum rates in Minimum Rate Tariff (MRT) 7-A for the transportation of silica sand used in the manufacture of glass as described in Item 40, MRT 7-A, in bottom dump type equipment, between the plant of U.S. Silica Co., in Oceanside, and the plant of Brockway Glass Company, Inc., in Pomona, California. Item 320 of MRT 7-A projects a tariff rate of \$8.40 per ton, on a minimum load of 24 tons per shipment. Applicant is seeking authority to charge a rate of \$6.70 per ton, on minimum shipments of 26 tons. Applicant estimates that 40 tons will be shipped every week.

Applicant's equipment is parked on the property of U.S. Silica in Oceanside to save time and expense. Loading and unloading facilities are available on a 24-hour basis, 5 days a week. It takes about 15 minutes for the employees of U.S. Silica to load the truck at Oceanside. Loading is performed by the truck driving under an overhead hopper. Upon arriving at the Brockway

plant the truck is unloaded by driving over an underground hopper. The driver opens the gates on the trailer and the sand falls out, to be conveyed to storage bunkers without cost to the applicant. The unloading takes about 15 minutes.

Applicant has provided its balance sheet for the calendar year 1987, which indicates that it had a profitable year of operation.

An attachment to the application indicates that trucks will proceed from Oceanside to Pomona, a distance of 81 miles, and return to Oceanside with a round-trip mileage of 162. Revenue per trip is estimated as \$174.20 and expense as \$153.99. Operating income is \$20.21 per trip, with an operating ratio of 88%.

Applicant does not propose to engage subhaulers in performing the service. If subhaulers are hired, however, they will be paid in accordance with the provisions of MRT 7-A for the transportation of silica sand in bulk.

Brockway Glass Container Division provided a letter in support of the application. The letter states that the reduced rate will enable Brockway to complete profitably with other glass suppliers.

Copies of the application were mailed to the California Trucking Association at West Sacramento and to the California Dump Truck Owners Association at Upland, California. The filing of the application was noted on the Commission's Daily Calendar on September 9, 1988. There have been no protests or requests for hearing. The Transportation Division has recommended that the application be granted.

Findings of Fact

1. Applicant has applied for authority to charge less than the applicable minimum rate on the transportation of silica sand from oceanside to Pomona, a one-way distance of 81 miles.

2. The rate will be \$6.70 per ton, with a minimum weight of 26 tons per unit of equipment.

3. Revenue per trip is estimated as \$174.20 and expense as \$153.99. Operating revenue per trip is \$20.21, with an operating ratio of 88%.

4. The transportation in issue involves unique circumstances.

5. Applicant's costs for this transportation are less than those used to set the rates in MRT 7-A.

6. The proposed rates are compensatory and reasonable.

7. A public hearing is not necessary.

Conclusions of Law

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

2. This authority shall expire in one year as required by the provisions of Public Utilities Code Section 3666.

3. This order should be effective on the date signed because there is an immediate need for rate relief.

ORDER

IT IS ORDERED that:

1. J. C. McClinton Trucking Company, Inc., a corporation, may depart from the rates in MRT 7-A by 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 DEC 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

APPENDIX A

Carrier: J. C. McClinton Trucking Company, Inc., a corporation.

Commodity: Silica sand.

Origin: U.S. Silica Company, Oceanside, California.

Destination: Brockway Glass Company, Inc. at Pomona, California.

Minimum Weight: 52,000 pounds (26 tons) per unit of equipment.

Rate: \$6.70 per ton.

Conditions:

1. Rates apply only when:
  - a. Silica sand is transported in dump truck type equipment.
  - b. Loading is by overhead hopper and is completed in 15 minutes.
  - c. Unloading is by gravity and is completed in 15 minutes.
2. Loading facilities at origin will be available Monday through Friday, 24 hours a day. Unloading facilities will be available Monday through Friday, 24 hours per day, so applicant can fully utilize its equipment.
3. Any subhaulers shall be paid in accordance with the rates and rules in MRT 7-A.
4. In all other respects, the rates and rules in MRT 7-A apply.

(END OF APPENDIX A)