

Decision 89 04 009

APR 12 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Transpan Corporation)
for authority to deviate from the)
otherwise applicable minimum rates)
for the transportation of crushed)
stone granules for the account of)
CELOTEX CORPORATION.)

Application 88-11-033
(Filed November 14, 1988)

Mailed

APR 15 1989

OPINION

Transpan Corporation (applicant) is a California corporation located in Santa Rosa. A certified copy of its Articles of Incorporation is in Commission Transportation File T-157-354. Applicant operates as a highway contract carrier, highway common carrier, dump truck carrier, agricultural carrier, and heavy specialized carrier under permits issued by this Commission.

Applicant is applying for authority to deviate from the minimum rate in Minimum Rate Tariff (MRT) 7-A on the transportation of crushed stone granules in dump truck equipment between 3M in Corona, California and Celotex Corporation in Fremont, California, for the account of Celotex Corporation.

The minimum rate for said transportation, provided in Item 320 of MRT 7-A, is \$34.04 per ton, plus a 2.2% surcharge (on 426 miles), with a minimum weight of 24 tons per load. Applicant is proposing a rate of \$19.50 per ton, with a minimum of 24 tons per load.

Applicant expects to transport about 500 tons per month, with deliveries spread evenly throughout the month.

Loading will be performed by the shipper using overhead hoppers at no cost to applicant. The loading facility is available 18 hours per day, 5 days per week. The material is unloaded by

gravity in about 30 minutes. The unloading facility is available 8 hours per day, 5 days per week.

The rate will be applied on backhauls, where the transportation is performed by convertible hoppers (sides fold down to make flatbeds). The equipment does not return to applicant's terminal. Hoppers are unloaded at Celotex in Fremont and then reloaded for the return in a continuous roundtrip operation. Subhaulers will not be employed to perform this transportation.

Appendixes attached to the application include applicant's operating statement and cost studies on the proposed transportation. The attachments indicate that the transportation will be profitable when performed at the rate proposed by applicant.

Copies of the application were mailed to the California Carriers Association, California Trucking Association, California Dump Truck Owners Association, and Trucking Support Services Team, Inc. Notice of the filing of the application appeared in the Commission's Daily Calendar on November 22, 1988. There have been no protests or requests for a hearing and the Commission staff has recommended that the application be granted ex parte.

Findings of Fact

1. Applicant seeks authority to assess rates less than the minimum rates set forth in MRT-7A for the transportation of crushed stone granules in dump truck equipment between 3M, Corona, California and Celotex Corporation, Fremont, California, for the account of Celotex Corporation.
2. Applicant will be transporting about 500 tons of granules per year.
3. Loading will be performed by the shipper at no cost to applicant.
4. Loading facilities are available 5 days per week, 18 hours per day.
5. Unloading is performed by gravity in about 30 minutes.

6. Unloading facilities are available 5 days per week, 8 hours a day.
7. Cost data submitted with the application indicates that transportation at the proposed rate will be compensatory.
8. Applicant has stated that subhaulers will not be used.
9. No protests have been received.
10. A public hearing is not necessary.
11. 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. Transpan Corporation 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.

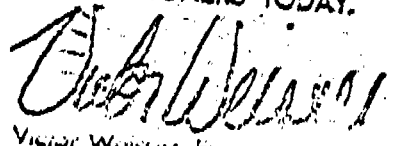
This order is effective today.

Dated APR 12 1989, at San Francisco, California.

G. MITCHELL WILK
President
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

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

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


Victor Weisler, Executive Director
JB

APPENDIX A

Carrier: Transpan Corporation.

Commodity: Crushed stone granules.

Origin: 3M, Corona, California.

Destination: Celotex Corporation, Fremont, California.

Rate: \$19.50 per ton.

Minimum Weight: 24 tons.

Condition:

Should this transportation be performed by subhaulers, such subhaulers shall be compensated at rates not less than those named in this appendix.

(END OF APPENDIX A)