

Decision 89 05 048 MAY 26 1989**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 Iron Horse Equipment Corp., a )  
 California Corporation (T-129254) )  
 for authority to depart from the )  
 rates, rules and regulations of )  
 Minimum Rate Tariff 7-A in the )  
 transportation of gypsum in bulk )  
 from Plaster City to Victorville )  
 for the account of Southwestern )  
 Portland Cement Company under )  
 provisions of Section 3666 of the )  
 Public Utilities Code. )

Mailed

MAY 26 1989

Application 89-01-045  
 (Filed January 30, 1989)

OPINION

Iron Horse Equipment Corp. (applicant) is a California corporation located in Adelanto, California. A copy of its Articles of Incorporation is in Commission Transportation File Cal. T-129254. Applicant operates as a dump truck carrier, highway common carrier, highway contract carrier, cement carrier, and a tank truck carrier.

Applicant is requesting that an authorized deviation be continued, on the transportation of crude gypsum in bulk in dump truck equipment from U.S. Gypsum in Plaster City, California, to Southwestern Portland Cement Company at Victorville, California, for Southwestern Portland Cement Company. A deviated rate of \$12 a ton, without a surcharge, was authorized, on a minimum weight of 26 tons per load, by Decision (D.) 86-02-043, dated February 20, 1986, in Application 85-09-038. Authority to assess the rate was extended by SDD-076 to expire February 20, 1987, and SDD-118 to expire February 20, 1989. Applicant was advised that a formal application should be filed to extend the rate and remove a restriction which was placed in Appendix A of D.86-02-043. The restriction reads as follows:

"Rate will apply only to shipments immediately preceded by a truckload shipment in same unit of equipment from an origin in San Bernardino County to a destination located in San Diego or Imperial County, or Arizona."

Applicant has applied to remove this restriction and continue charging the \$12 per ton on minimum weights of 26 tons per load. The tariff rate for crude gypsum is \$18.04 cents per ton, with a 2% surcharge. The rate is subject to a minimum weight of 24 tons.

It is alleged that applicant's trips frequently involve three or more movements. The cost and income resulting from each movement is described in detail in appendices attached to the application. One haul originates in Adelanto with a load to Victorville, then Victorville to Otay, Otay to Plaster City, Plaster City to Victorville, and finally Victorville back to Adelanto. Another route proceeds from Adelanto to Cushenbury, Cushenbury to Vicksburg, Arizona, Vicksburg to Plaster City, Plaster City to Victorville, and Victorville back to Adelanto. The last movement proceeds from Adelanto to Victorville, to Las Vegas, Nevada, to Nelson, Arizona, to Glamis, to Plaster City, Victorville, and Adelanto. Operation ratios on the three trips were 77.2%, 88.2%, and 78.9%, respectively. .

The shipper provided a letter in support of the application.

Copies of the application were mailed to the California Trucking Association and the California Dump Truck Owners Association. Notice of the filing of the application appeared in the Commission's Daily Calendar on February 7, 1989. There have been no protests or requests for hearing.

#### Findings of Fact

1. Applicant has authority to transport crude gypsum in dump trucks from U.S. Gypsum at Plaster City to Southwestern Portland

Cement Company at Victorville, assessing a deviated rate of \$12 per ton on a minimum weight of 26 tons per load.

2. Applicant seeks removal of a restriction on the transportation which requires all shipments to be immediately preceded by transportation of a truckload in the same unit from an origin in San Bernardino County to a destination in San Diego, Imperial County, or Arizona.

3. The restriction should be removed and applicant's multiple pickups and deliveries should be authorized at the current rate.

4. Cost data submitted with the application demonstrates that the proposed rate will be compensatory when applied to shipments immediately preceded by a truckload shipment in the same unit of equipment to a destination located in San Diego, Imperial County, Nevada, or Arizona.

5. Applicant has stated that subhaulers will not be used.

6. No protests have been received.

7. A public hearing is not necessary.

8. 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. Iron Horse Equipment Corp. is authorized to depart from the provisions of Minimum Rate Tariff 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.

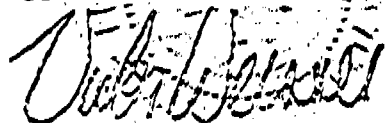
3. In all other respects, the provisions of MRT 7-A shall apply.

This order is effective today.

Dated MAY 26 1989, at San Francisco, California.

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

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



Victor Weissar, Executive Director

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APPENDIX A

Carrier: Iron Horse Equipment Corp.

Shipper: Southwestern Portland Cement Company.

Commodity: Gypsum, in bulk, in dump truck equipment.

Rate: \$12 per ton, not subject to surcharge.

Minimum Weight: 26 tons per load.

Origin: Plaster City.

Destination: Victorville.

Conditions:

1. Rate will apply only to shipments transported in the same unit of equipment when carrier has such equipment available after having moved a shipment to a destination located in San Diego or Imperial Counties, or Arizona.
2. If subhaulers are employed, they shall be paid in accordance with the provisions of MRT 7-A.
3. The authority granted shall expire one year after it is authorized.
4. In all other respects, the rates and rules in MRT 7-A shall apply.

(END OF APPENDIX A)