

Decision 89 09 005 SEP 7 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Commercial Transfer, Inc. )  
for authority to deviate from the )  
otherwise applicable minimum rates for )  
the transportation of crushed stone )  
granules for the account of Celotex )  
Corporation. )

Application 89-04-042  
(Filed April 17, 1989)

OPINION

Commercial Transfer, Inc. (applicant) is a California corporation located in Fresno, California. A certified copy of its Articles of Incorporation is on file with the Commission in Transportation File T-77228. Applicant operates as a highway common carrier, a highway contract carrier, a cement carrier, an agricultural carrier, and a dump truck carrier.

Applicant is applying for authority to deviate from the minimum rates on the transportation of crushed stone granules in dump truck equipment between Minnesota Mining and Manufacturing (3M), Corona, California, and Celotex Corporation (Celotex), Fremont, California, for the account of Celotex.

The minimum rate for the transportation provided in Minimum Rate Tariff 7-A (MRT 7-A) is \$34.04 per ton, based on Item 320, which includes mileage of 426, and a 2.2% surcharge, with a 24-ton minimum weight. Applicant is proposing a rate of \$19.50 per ton, with a minimum weight per shipment of 25 tons.

Applicant will be transporting 500 tons per month, which will be delivered in equal installments throughout the month.

The transportation described herein will be a backhaul on transportation from the facilities of Celotex in Fremont, to points in the Los Angeles Basin Territory (LA Basin). Applicant has provided a letter from Celotex dated April 6, 1989, which supports

the application and refers to Celotex's need for the front and back hauls involved in this transportation.

Applicant will use a specialized trailer that can be converted from a flatbed to a bottom dump. The trailer moves 25 tons of general commodities from Fremont to LA Basin as a flatbed. It is then converted to a bottom dump for the return to Fremont. The material is gravity loaded by the shipper and the facility is available 18 hours per day, 5 days a week. Unloading is available during an 8-hour shift, 5 days per week. It takes about 30 minutes for gravity to unload the vehicle.

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

Appendices attached to the application include cost studies on the proposed transportation which indicate that it will be profitable.

Copies of the application were mailed to the California Trucking Association, the California Dump Truck Owners Association, and the Associated Independent Owner-Operators. Notice of the filing of the application appeared in the Commission's Daily Transportation Calendar on April 26, 1989. There have been no protests or requests for a hearing. Transportation Division staff recommends ex parte treatment under these conditions.

#### 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 crushed stone granules from 3M in Corona to Celotex in Fremont for the account of Celotex.

2. Applicant will be transporting 500 tons of stone per month.

3. Loading is performed by the shipper from a facility that is available 18 hours per day, 5 days a week.

4. Unloading takes 30 minutes to complete from a facility that is open 8 hours a day, 5 days a week.

5. Cost data submitted with the application indicate that transportation at the proposed rate will be compensatory.
6. Applicant has stated that subhaulers will not be used.
7. No protests have been received.
8. A public hearing is not necessary.
9. 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. Commercial Transfer, 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 SEP 7 1989, at San Francisco, California.

G. MITCHELL WILK

President

FREDERICK R. DUDA

STANLEY W. HOLETT

JOHN B. CHANMAN

1. PATRICIA M. ECKERT

WAS APPROVED BY THE ABOVE

COMMISSIONERS TODAY.

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*Wesley Franklin*

WESLEY FRANKLIN, Acting Executive Director

APPENDIX A

Carrier: Commercial Transfer, Inc.

Commodity: Crushed stone granules.

Origin: Minnesota Mining and Manufacturing, Corona.

Destination: Celotex Corporation, Fremont.

Rate: \$19.50 per ton.

Minimum Weight: 25 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)