

Decision 89 09 076

SEP 27 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 WMB Transportation for authority to)
 deviate from the rates, rules, and)
 regulations of Minimum Rate Tariff)
 7-A for the transportation of)
 crushed gypsum rock, pursuant to)
 Section 3666 of the Public Utilities)
 Code.)

Application 89-05-010
 (Filed May 5, 1989)

OPINION

WMB Transportation (applicant) is a California corporation operating out of Colton, California. A copy of its Articles of Incorporation is in Commission Transportation File T-140806. Applicant operates under various authorities issued by this Commission. This application is concerned with transportation by dump truck between points within the State of California.

Applicant has applied to assess a less-than-minimum rate for the transportation of gypsum rock, crushed, from the U.S. Gypsum mine near Ocotillo Wells to CalMat Company's cement plant, Colton, California. Gypsum rock is named in Item 40 of the tariff (Minimum Rate Tariff 7-A), thereby making Item 320 rates applicable to this transportation. Item 320 specifies a rate of \$12.82 per ton (including the surcharge in Supplement 28), subject to a minimum of 24 tons per load. Applicant proposes a rate of \$11 per ton, subject to a minimum weight of 27.5 tons. The minimum weight of 27 tons per shipment insures a profitable haul and the shipper requested that this application be filed. The letter of support from the shipper (CalMat Company) states that 15,000 tons of gypsum will be shipped per year, at the \$11 rate. Applicant will perform this service with its current equipment, thereby increasing its use factor.

Loading will be on a scale from an overhead bunker facility, to be sure that each truck is loaded to the maximum allowed. The use of the scales will not be charged to applicant, and loading will be allowed at least 5 days per week for not less than 12 hours each day. Unloading will be discharged over a drive-on grizzly hopper, and the unloading facility is available to the carrier at least 5 days per week, 24 hours per day.

In the event of loading or unloading delays beyond the combined total of 1.5 hours, applicant will assess penalty provisions in accordance with charges in Item 90 of Minimum Rate Tariff (MRT) 7-A.

Subhaulers will not be used by applicant to transport shipments at the proposed rate.

The Appendix attached to the application includes an income statement and a financial statement dated September 30, 1988. A cost study covering the proposed transportation indicates that it will be profitable.

Copies of the application were mailed to the Bay Counties Dump Truck Association, California Carriers Association, California Dump Truck Owners Association, California Trucking Association, and the Highway Carriers Association. The filing of the application was noted in the Commission's Daily Calendar on May 10, 1989. There have been no protests or requests for a hearing.

Findings of Fact

1. Applicant seeks authority to assess a less than minimum rate for the transportation of gypsum rock, crushed, from the U.S. Gypsum mine near Ocotillo Wells to CalMat Company's cement plant, Colton, California.
2. Applicant will be transporting 15,000 tons of crushed gypsum rock annually under an agreement with the shipper.
3. Loading will be completed with the truck on a scale to ensure that each vehicle transports the maximum weight allowed.

4. Loading is available on 5 days a week, at least 12 hours a day; unloading facilities are provided 5 days a week and 24 hours per day.

5. In the event of loading or unloading delays beyond a combined total of 1.5 hours, applicant will assess penalty provisions in accordance with charges in Item 90 of MRT 7-A.

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

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

8. No protests have been received.

9. A public hearing is not necessary.

10. 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. WMB Transportation 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 27 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.

Wesley Franklin

WESLEY FRANKLIN, Acting Executive Director

JB

APPENDIX A

Carrier: WMB Transportation

Commodity: Crushed gypsum rock

Origin: U.S. Gypsum mine near Ocotillo Wells, California

Destination: CalMat Company's cement plant, Colton, California

Rate: \$11 per ton

Minimum Weight: 27.5 tons

Conditions:

1. If the combined loading and unloading times exceed 1.5 hours, additional charges shall be assessed at the rates specified in Item 90 of Minimum Rate Tariff 7-A.
2. It is not expected that subhaulers will be used on this transportation. If for some unforeseen reason they are, they will be compensated based on applicable rates named in Minimum Rate Tariff 7-A.

(END OF APPENDIX A)