

Decision 89 10 020

OCT 12 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 Dalton Trucking, Inc., a California)
 corporation, for authority to deviate)
 from the otherwise applicable minimum)
 rates in the transportation of cement)
 clinker, sand and aggregate, iron)
 ore, crushed gypsum and clay)
 materials on behalf of CalMat Co.)

Application 89-07-022
 (Filed July 13, 1989)

OPINION

Dalton Trucking, Inc. (applicant) is a California corporation located in Fontana. A certified copy of its Articles of Incorporation is in Commission Transportation File T-98782.

Applicant operates as a dump truck carrier, highway contract carrier, highway common carrier, heavy-specialized carrier, certificated cement common carrier, and an agricultural carrier.

Applicant is a general commodities and cement carrier, specializing in the transportation of bulk dump truck loads. It operates more than 100 trucks in extensive hauling throughout Southern California.

Applicant has filed to request authority to deviate from the applicable tariff rates on the transportation described below.

Primary Movement

Commodity:	Cement Clinker
Movement:	From California Portland Cement Co., (a Division of CalMat), Mojave to California Portland Cement Co., Colton
Proposed Rate:	\$8.85 per ton

Secondary Movements

Commodity:	Clay & Clay Products
Movement:	Pacific Clay, Alberhill to California Portland Cement Co., Mojave
Proposed Rate:	\$8.65 per ton
Commodity:	Sand & Aggregate Materials
Movement:	CalMat, San Bernardino to CalMat, Palmdale
Proposed Rate:	\$4.77 per ton
Commodity:	Iron Ore
Movement:	Baxter Mine, Baker to California Portland Cement, Co., Mojave
Proposed Rate:	\$10.03 per ton
Commodity:	Crushed Gypsum
Movement:	U.S. Gypsum, Ocotillo Wells to California Portland Cement Co., Mojave
Proposed Rate:	\$16.06 per ton

The rates of the secondary movements are only effective when performed as a part of a contiguous round-trip movement of the primary haul using the same equipment. The primary movement rate is effective as a stand alone rate or when in conjunction with a secondary movement. Each CalMat subsidiary is to be billed independently for its movements. CalMat Co. requires this procedure as a method of maintaining separate cost centers.

Applicant expects that the transportation will involve a minimum amount of approximately 50,000 tons per year under these various combinations over 10 roughly equal monthly periods.

The shipper will load the trucks with either front end loaders or overhead hoppers, at no cost to applicant. Loads may be covered with form fitting tarps at the discretion of the shipper. The trucks will be weighed at the loading sites without cost to applicant. Loading facilities are available at least 5 days per

week, generally 12 hours per day from 6:00 a.m. to 6:00 p.m. Unloading facilities are available at least five days per week, 18 hours per day.

In the event of loading or unloading delays beyond a combined total of 40 minutes for any leg of these movements, applicant will charge the appropriate CalMat division at a rate of \$20 per hour or portion thereof.

Subhaulers will not be employed to perform this transportation.

Applicant will use bottom dumps on this transportation, although its truck and transfer fleet may occasionally be employed. The trucks have a 24-ton maximum load compared to 28 tons on the bottom dumps. Applicant has provided supporting documents to show that the transportation is still profitable when 24-ton loads are hauled.

Appendices to the application include applicant's balance sheet and a profit and loss statement. Operating costs and projected revenue are provided on the proposed transportation with the resulting conclusion that transportation will be profitable.

A supporting letter from the shipper is attached to the application.

Copies of the application were mailed to the California Carriers Association, Associated Independent Owner Operators, California Dump Truck Owners Association, and the California Trucking Association. Notice of the filing of the application was provided in the Commission's Daily Transportation Calendar on July 20, 1989. There have been no protests or requests for a hearing.

Findings of Fact

1. Applicant is requesting authority to deviate from the minimum rates on the transportation of cement clinker, clay and clay products, sand and aggregate materials, iron ore, and crushed

gypsum between various points in the State of California at the rates noted in the application.

2. The shipper provided a letter in support of the application.

3. Applicant will be transporting approximately 50,000 tons per year over a period of 10 months.

4. The shipper will load the trucks without charging applicant.

5. Trucks will be weighed at the loading site by the shipper. Applicant will not be charged for this service.

6. Loading can be accomplished five days per week, from 6:00 a.m. to 6:00 p.m.

7. Unloading facilities are available five days per week, and 18 hours a day.

8. In the event of loading or unloading delays beyond a combined total of 40 minutes for any leg of these movements, applicant will charge the appropriate CalMat division at a rate of \$20 per hour or portion thereof.

9. Subhaulers will not be employed to perform this transportation.

10. Cost data submitted with the application indicate that the proposed transportation will be profitable when the proposed rates are charged.

11. The proposed rates are reasonable.

12. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.

2. Under Public Utilities Code § 3666, the authority granted in the following order should expire in one year.

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

ORDER

IT IS ORDERED that:

1. Dalton Trucking, Inc. is authorized to depart from the provisions of Minimum Rate Tariff (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 OCT 12 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.

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Wesley Franklin
WESLEY FRANKLIN, Acting Executive Director
AO

APPENDIX A
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Carrier: Dalton Trucking, Inc.

Shipper: CalMat Co.

Minimum Weight: 28 tons

Transportation:

Primary Movement

Commodity: Cement Clinker
Movement: From California Portland Cement Co., Division of CalMat, Mojave, CA to California Portland Cement Co., Division of CalMat, Colton, CA
Proposed Rate: \$8.85/ton

Secondary "Backhaul" Movement

Movement #1:
Commodity: Clay
Movement: From Pacific Clay, Alberhill to California Portland Cement Co., Division of CalMat, Mojave, CA
Proposed Rate: \$8.65/ton

Movement #2:
Commodity: Sand & Aggregate
Movement: From Pacific Clay, Alberhill to California Portland Cement Co., Division of CalMat, Mojave, CA
Proposed Rate: \$4.77/ton

Movement #3:
Commodity: Iron Ore
Movement: From Baker, CA to California Portland Cement Co., Division of CalMat, Mojave, CA
Proposed Rate: \$10.03/ton

Movement #4:
Commodity: Crushed Gypsum
Movement: From U. S. Gypsum, Ocotillo Wells, CA to California Portland Cement Co., Division of CalMat, Mojave, CA
Proposed Rate: \$16.06/ton

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Conditions:

1. The rates of the secondary movements are only effective when performed as part of a contiguous round-trip movement of the primary haul using the same equipment. The primary movement rate is effective as a stand alone rate or when in conjunction with a secondary movement.
2. In the event of loading or unloading delays beyond a combined total of 40 minutes for any leg of these movements, applicant will charge the appropriate CalMat Division at a rate of \$20 per hour or portion thereof.
3. If subhaulers are used, they shall be paid not less than the rates provided in this appendix.
4. In all other respects, the provisions of MRT 7-A shall apply to this transportation.

(END OF APPENDIX A)