

ALJ/EGF/tcg

Decision 90 02 013 FEB 07 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of Harris Transportation Co.
(T-119745), a California Corpora-
tion, for authority to depart from
the rates, rules and regulations of
Minimum Rate Tariff 7-A in the
transportation of lightweight
aggregates in bulk in dump truck
equipment for Sierra Aggregate
Company, Inc. and clay in bulk in
dump truck equipment for Mitsubishi
Cement Corporation, under provi-
sions of Section 3666 of the Public
Utilities Code.

ORIGINAL

Application 89-08-030
(Filed August 18, 1989)

OPINION

Harris Transportation Co. (applicant) is a California Corporation located in Victorville, California. A copy of its Articles of Incorporation was filed with the Commission on February 14, 1977 in Application 57079.

Applicant operates as a highway common carrier, heavy-specialized carrier, agricultural carrier, highway contract carrier, and under a dump truck carrier permit which authorizes operations throughout the State of California under file Cal. T-119745.

Applicant's equipment has been modified to transport 26 tons per unit, which will be the minimum weight on all shipments. There are two different movements for two separate shippers, as explained in the following paragraph. The authority to haul clay from Lincoln to Cushenbury for Mitsubishi Cement Corporation as requested herein, has been granted to Bailes Trucking of Victorville, and Bailes is performing this service. No carriers are providing the service proposed for Sierra Aggregate Company, Inc.

Authority is requested to deviate from minimum rates in Minimum Rate Tariff 7-A for two related movements of materials for two separate shippers. Shippers would move for Sierra Aggregate Company, Inc. from their facility (Red Top Mine) located near Lucerne Valley, California, to points in various Northern California counties as specified in Appendix A. Shipments for Mitsubishi Cement Corporation would move from Lincoln, California, to Cushenbury, California as specified in Appendix B. Commodities moved for Sierra Aggregate Company, Inc. are lightweight aggregates as described in Item 50 of MRT 7-A. Clay, as described in Item 40 of MRT 7-A is moved for Mitsubishi Cement Corporation. Substantial economies can be realized due to reduction in empty mileage when these two movements are conducted in conjunction with each other in the same unit of equipment.

Current rates on this traffic are provided in MRT 7-A. Rates for the transportation of aggregates as described in Item 50 of MRT 7-A are shown in Item 340 of MRT 7-A subject to a minimum weight of no greater than 18 tons. The rates are shown in cents per ton and vary with the distance travelled. These rates are subject to a 2.2 percent surcharge. Applicant has authority originally granted by Decision 85-09-021 to transport shipments of lightweight aggregates from the facilities of Sierra Aggregate Company, Inc. to points within 250 miles of origin at reduced rates. The transportation of clay from Lincoln to Cushenbury, a distance of 465 actual miles, is \$33.52 per ton plus a surcharge of 2.2 percent subject to a minimum weight of 24 tons. These rates are provided in Item 320 of MRT 7-A with the surcharge provided in Supplement 29.

Applicant proposes to assess the rates shown in Appendices A and B, attached hereto. The equipment will be truck and pup trailer or bottom dump equipment.

This application is based upon the following facts and circumstances:

1. The transportation will be performed on a regular, continuing basis with approximately six loads per week in each direction. The proposed operation consists of a long northbound movement in conjunction with a long southbound movement with minimum empty mileage. Destinations in Northern California would be in the general vicinity of Lincoln and the Southern California destination of Cushenbury is very close to both the applicant's terminal at Victorville and the loading point of the northbound traffic at Red Top Mine. Therefore, applicant would schedule the use of its equipment in the most efficient manner when these two movements are coordinated.

2. The commodities transported in each direction are compatible in that they can be hauled in the same equipment with no need for wash out of equipment and no likelihood of contamination.

3. Loading conditions at the facility of Sierra Aggregate Company, Inc. are unusually quick and efficient. Loading is accomplished by skip loader operated by consignor and takes approximately 10 minutes. Applicant's trucks can be loaded immediately upon their arrival without waiting. There is an accurate scale on the property of the consignor at the loading point. Similarly, unloading conditions at the facilities of various Northern and Central California consignees are favorable. Destinations would be concrete companies, many of whom allow 24-hour unloading and landscape yards. Unloading is done quickly by gravity. Applicant is experienced in handling transportation for this shipper and there is no delay in unloading with a typical time of 10 to 15 minutes. On the transportation of clay from Lincoln to Cushenbury, the clay is loaded by front end loader and maximum loading time is 20 minutes. There is a scale on the premises of the consignor at Lincoln. Unloading conditions are

good at the Cushenbury facility, which is located 30 miles from the applicant's Victorville terminal.

4. Applicant's personnel are experienced in dump truck transportation, with most of applicant's revenue derived from transportation of commodities named in Minimum Rate Tariff 7-A.

5. Applicant's equipment is modified so it can transport over 26 tons of lightweight aggregate material. This capacity is substantially greater than normal dump truck trailers.

6. Applicant has determined that the proposed rates will be compensatory and profitable when northbound and southbound movements are performed in conjunction in the same unit of equipment.

Letters of support from the involved shippers, Sierra Aggregate Company, Inc. and Mitsubishi Cement Corporation, are attached to the application. Subhaulers will not be used to perform this transportation.

Copies of the application were mailed to the California Trucking Association, California Dump Truck Owners Association, California Carriers Association, and Bailes Trucking of Victorville. Notice of the filing of the application appeared in the Commission's Transportation Calendar on August 28, 1989. There have been no protests or requests for a hearing.

The staff of the Transportation Division has recommended that the application be granted.

Findings of Fact

1. Applicant is a California corporation operating out of Victorville, California.

2. Applicant is authorized to operate as a dump truck carrier.

3. Applicant requests authority to deviate from the minimum rates provided in MRT 7-A on the transportation of lightweight aggregates (Item 50 of MRT 7-A) from Red Top Mine near Lucerne Valley to various destinations in Northern California for Sierra

Aggregate Company, Inc.; also to deviate from the minimum rates provided in MRT 7-A on the transportation of clay (Item 40 of MRT 7-A) from Lincoln to Cushenbury, California, for Mitsubishi Cement Corporation.

4. Twenty-six tons will be the minimum weight on all shipments. The rates on the transportation of lightweight aggregates will vary according to the destination. The rate for the transportation of clay is \$24.00 per ton.

5. The shippers have provided letters supporting the application.

6. Sierra Aggregate Co. will be shipping a minimum of six 26-ton loads per week. Mitsubishi Cement Company handles approximately 8,000 tons of clay per year.

7. Loading takes about ten minutes and unloading from 10 to 20 minutes. Scales are available at the loading points and most destinations provide for 24-hour unloading.

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

9. The proposed rates are reasonable.

10. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.

2. Under Public Utilities Code Section 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.

O R D E R

IT IS ORDERED that:

1. Harris Transportation Co. is authorized to depart from the provisions of MRT 7-A to the extent set forth in Appendices A and B, 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 FEB 07 1990, 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.

Wesley Franklin

WESLEY FRANKLIN, Acting Executive Director

OB

APPENDIX A
Page 1

Carrier: Harris Transportation Co.

Shipper: Sierra Aggregate Company, Inc.

Commodity: Lightweight aggregates as described in Item 50 of
Minimum Rate Tariff 7-A.

Minimum Weight: Twenty-six tons per unit of equipment.

Origin: Shipper's facilities located at Red Top Mine. (35 miles
SE of Barstow)

Destination - County:

Rate (Subject to Note 2):

Fresno

\$16.50 per ton (Subject to
Note 1) or \$21.00 per ton

Kern

Kings

Madera

Merced

San Joaquin

Stanislaus

Tulare

Placer

\$17.50 per ton (Subject to
Note 3) or \$21.00 per ton

Sacramento

Solano

\$20.50 per ton

Yolo

Alameda

\$23.00 per ton

Contra Costa

Marin

Napa

San Francisco

San Mateo

Santa Clara

Santa Cruz

Sonoma

\$25.00 per ton

Note 1: Application of rate is restricted to points within
12 highway miles of U.S. Highway 99.

Note 2: Rates are not applicable when a lower charge is
authorized to carrier under authority granted by the
Commission.

Note 3: Application of rate is restricted to points within
12 highway miles of U.S. Highway 99 or within 12 highway
miles of Interstate Highway 80.

APPENDIX A
Page 2

Conditions:

1. If subhaulers are used, they shall be paid not less than the rates provided in this Appendix. ✓
2. Rates on this page shall apply only in conjunction with a movement in the same unit of equipment of clay from Lincoln to Cushenbury.
3. Notes are applicable only where reference is made thereto.

(END OF APPENDIX A)

APPENDIX B

Carrier: Harris Transportation Co.

Shipper: Mitsubishi Cement Corporation.

Commodity: Clay as described in Item 40 of Minium Rate Tariff
7-A.

Minimum Weight Per Shipment: Twenty-six tons per unit of
carrier's equipment.

Origin: Lincoln, California.

Destination: Cushenbury, California.

Rate: \$24.00 per ton.

Conditions:

1. If subhaulers are used, they shall be paid not less than the rates provided in this Appendix.
2. Rate on this page shall apply only when carrier transports a shipment of lightweight aggregate to a Northern or Central California point as provided in Appendix A.

(END OF APPENDIX B)