

Decision 82 08 038 August 18, 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of BULK TRANSPORTATION, a)
corporation, to perform trans-)
portation services for the account)
of SOUTHWEST PORTLAND CEMENT, in)
the movement of gypsum at less)
than minimum rates.)

Application 82-03-59
(Filed March 15, 1982)

O P I N I O N

Applicant, a highway common and dump truck carrier, seeks authority to assess less than the minimum rates in Minimum Rate Tariff (MRT) 7-A for the transportation of gypsum in dump truck equipment from the production plant of U.S. Gypsum at Plaster City to the plant of Southwest Portland Cement (Southwest) located at Victorville.

Applicant proposes a rate of \$10 per ton with a minimum weight of 26 tons per shipment. In the event that loading and/or unloading times exceed one hour, excess time is to be charged for at the rate of \$3 for each 15 minutes or any fraction of that time. ✓

In support of the reasonableness of the rates proposed, applicant alleges that:

1. The commodity involved is gypsum used by Southwest. It must be transported in clean, dome-covered or tarped vehicles to prevent contamination.
2. Equipment used consists of two-axle tractors, pulling gravity unloaded, bottom dump, hopper-type trailer with dome covers (semi and pull), or semi-tractors - with bottom dump capability. Applicant has 45 such full rigs available to perform this service.

3. Southwest presently uses approximately 2,250 tons of gypsum per month or approximately 520 tons per week.
4. Southwest's unloading facilities are open on a 24-hour, seven-day per week basis. This means that the service allows for the maximum use of equipment.
5. If the application is granted, applicant's trucks will be going empty from Oro Grande to Westend and load for Brawley. Upon unloading, units will proceed to Plaster City and reload for Victorville, thus eliminating costly empty miles. Without approval of this application the front end of this movement, namely Westend to Brawley, and return empty would be completed at a loss rather than a profit if the application is approved.

Appendix B, attached to the application, comprises a cost study with respect to the subject transportation based upon the round-trip movement from Westend to Brawley, then to Plaster City and Victorville. As a result of a telephone request from the Commission's Transportation Division, a supplemental study showing depreciation costs was submitted on June 30, 1982. The supplemental study is received in evidence as Exhibit 1. The cost studies indicate that the transportation at the proposed rates will be compensatory provided the movement from Plaster City to Victorville is immediately preceded by a shipment from Westend to Brawley.

A copy of the application was served upon the California Trucking Association and it was noticed on the Commission's Daily Calendar of March 19, 1982. No protests to the granting of the application have been received.

The Commission's Transportation Division advises that it has reviewed the application and believes it is one which, in the absence of protest, may be granted by ex parte order. It requests that should the application be granted, it be subject to the following restriction:

Applicant has not indicated that subhaulers will be engaged nor have any costs of subhaulers been submitted. Therefore, if subhaulers are employed, they shall be paid no less than the rate authorized in this order without any deduction for use of applicant's trailing equipment.

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 gypsum from the plant of U.S. Gypsum at Plaster City to Southwest at Victorville.

2. The commodity will be transported in hopper-type, bottom dump trailers with dome covers.

3. Southwest uses approximately 520 tons of gypsum per week.

4. Southwest's unloading facilities are open 24 hours per day, seven days per week.

5. Cost data submitted with the application indicate that transportation at the proposed rate will be compensatory provided the movement from Plaster City to Victorville is immediately preceded by a shipment from Westend to Brawley in the same unit of equipment.

6. Applicant has not indicated that subhaulers will be engaged.

7. No protests have been received.

8. A public hearing is not necessary.

9. The proposed rate is reasonable provided the transportation is immediately preceded by a shipment from Westend to Brawley in the same unit of equipment.

Conclusion of Law

The application should be granted to the extent set forth in the following order. Since there is an immediate need for the sought relief, the effective date of the order should be today.

O R D E R

IT IS ORDERED that:

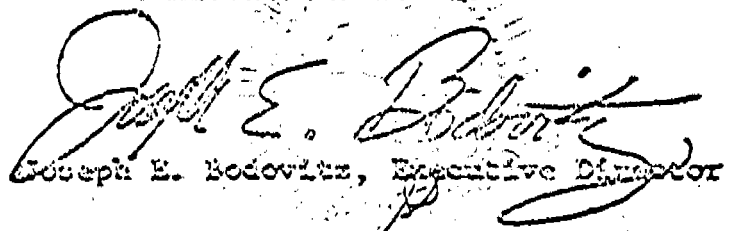
1. Bulk Transportation is authorized to depart from the provisions of MRT 7-A to the extent set forth in Appendix A attached.
2. The authority granted shall expire one year after the effective date of this order unless sooner canceled or extended by order of the Commission.
3. In all other respects the provisions of MRT 7-A shall apply. This order is effective today.

Dated AUG 18 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
Commissioners

Commissioner Priscilla C. Grew,
being necessarily absent, did
not participate

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


Joseph E. Rodovitz, Executive Director

APPENDIX A

Carrier: Bulk Transportation.

Commodity: Gypsum, not further processed than crushed.

Origin: U.S. Gypsum, Plaster City.

Destination: Southwest Portland Cement, Victorville.

Rate: \$10 per ton.

Minimum Weight: 26 tons.

Conditions:

1. Loading and/or unloading time in excess of one hour to be charged at the rate of \$3 per 1/4 hour or any fraction of that time.

2. Rate applies only when transportation from Westend to Brawley immediately precedes the shipment in the same unit of equipment.

3. In the event subhaulers are employed, they shall be paid no less than the rate authorized without any deduction for use of applicant's trailing equipment.

(END OF APPENDIX A)

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