

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of HARRIS TRANSPORTATION CO., for authority to deviate from the minimum rates in hauling ground limestone to Armstrong World Industries, Inc. according to Sections 3866 and 5195 of the Public Utilities Code of the State of California.

ORIGINAL

Application 82-07-06
(Filed July 1, 1982;
amended October 7, 1982)

O P I N I O N

By this application, as amended, Harris Transportation Co. (Harris), a corporation, seeks authority to charge less than the minimum rate in Minimum Rate Tariff (MRT) 7-A for the transportation of bulk ground limestone in dump truck equipment for Armstrong World Industries, Inc. (Armstrong) from the plant of Pfizer, Inc. located eight miles beyond Lucerne Valley to Armstrong's plant at South Gate.^{1/}

Harris proposes a rate of 42.5¢ per 100 pounds (\$8.50 per ton) with a minimum weight of 52,000 pounds (26 tons) per shipment. Additionally, it proposes a charge of \$7.50 for each 15 minutes or fraction of that time for excess time over: (1) 45 minutes for loading and (2) 60 minutes for unloading. The applicable minimum rate, including the current 22-1/2% surcharge, is \$11.48 per ton, minimum weight 24 tons per shipment.

^{1/} Ground limestone is not specifically named in MRT 7-A but is included in the description "stone, crushed, chips, or waste" in List A of Item 30 of the tariff.

The application states as follows:

1. Harris holds highway common carrier, dump truck carrier, and other operating authority. Its terminal is located at Victorville.
2. Harris has been performing the transportation in issue with bottom dump trailer sets. Loading is by Pfizer plant employees. Unloading is by gravity stream over a screw conveyor. For the past 12 months the average number of shipments hauled have been (1) 4.6 per working day and (2) 100.5 per month. These averages will continue if the sought rate is authorized.
3. Based on the operating efficiencies, maximum use of equipment, and resulting favorable cost experience, the proposed rate is compensatory.
4. Should subhaulers be used for any of this transportation, Harris would pay them not less than 100% of the sought rate.

The revenue and cost data presented with the application are based on a 234.2-mile round trip, 32.4 miles empty from Harris' Victorville terminal to Pfizer, then 11 .1 miles loaded to Armstrong, and then 88.6 miles empty return to the terminal. According to these data, the revenue based on the sought rate would be \$221, the total cost would be \$177.92, the operating income would be \$43.08, and the operating ratio would be 81%.

As of May 31, 1982, Harris had assets of \$735,799, liabilities of \$213,751, and a net worth of \$522,048. For the year 1981, it had income of \$2,364,916, expenses of \$2,447,956, and a loss of \$83,040.

The application and amendment were listed on the Commission's Daily Calendar and Daily Transportation Calendar. Applicant served copies on the California Trucking Association

and the California Dump Truck Owners Association. No objections to the granting of the application, as amended, have been received.

We are of the opinion that the application, as amended, should be granted subject to the conditions set forth in attached Appendix A. Since there is an immediate need for the relief, the following order should be made effective on the date it is signed.

Findings of Fact

1. The transportation in issue involves unique circumstances.
2. Harris' costs for this transportation are less than those used to set the rates in MRT 7-A.
3. If subhaulers are used, Harris will pay them 100% of the sought rate.
4. The proposed rate is compensatory.
5. The proposed rate is reasonable.
6. A public hearing is not necessary.

Conclusions of Law

1. The application, as amended, should be granted as amended in the following order.
2. This authority shall expire one year after the effective date of this order.
3. This order should be effective on the date signed because there is an immediate need for rate relief.

O R D E R

IT IS ORDERED that:

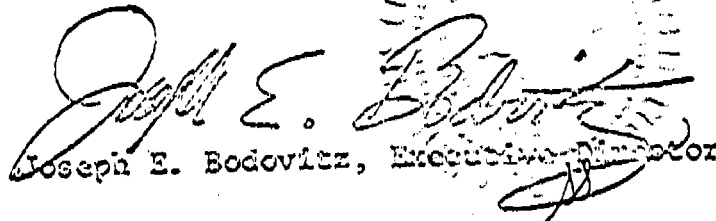
1. Harris Transportation Co. may depart from the rates in MRT 7-A by charging not less than the rates in Appendix A.
2. This authority shall expire one year after the effective date of this order.

This order is effective today.

Dated DEC 1 1982, at San Francisco, California.

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

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


Joseph E. Bodovitz, Executive Director

APPENDIX A

Carrier: Harris Transportation Co., a corporation.

Commodity: Bulk ground stone (limestone).

Origin: Pfizer, Inc., 8 miles beyond Lucerne Valley.

Destination: Armstrong World Industries, Inc., South Gate.

Rate: \$8.50 per ton (42.5¢ per 100 pounds).

Minimum Weight: 26 tons (52,000 pounds).

Conditions:

1. A charge of \$7.50 for each 15 minutes or fraction of that time to be charged for excess time over:
(a) 45 minutes for loading and (b) 60 minutes for unloading.
2. Any subhaulers used shall be paid no less than the rate authorized without any deduction for the use of carrier's trailing equipment.
3. In all other respects, the rates and rules in Minimum Rate Tariff 7-A apply.

(END OF APPENDIX A)