

ORIGINAL

Decision No. 78993

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SHARP FARMS TRUCKING, )  
INC. for authority to depart from )  
minimum rates in connection with )  
certain transportation to be per- )  
formed for Ray Tolson Mills in )  
Woodland, California. )

Application No. 52252  
(Filed October 19, 1970;  
Amended October 26, 1970,  
April 2, 1971 and July 9, 1971)

Graham and James, by Boris H. Lakusta and David J. Marchant, Attorneys at Law, for applicant.

Arthur D. Maruna, H. F. Kollmyer, and A. D. Poe (Attorney at Law), for California Trucking Association, interested party.

Clyde T. Neary, for the Commission staff.

O P I N I O N

Sharp Farms Trucking, Inc. (Sharp), a radial highway common carrier, engages in the transportation of agricultural commodities. Decision No. 77977, in this application, granted Sharp interim authority under Section 3666 of the Public Utilities Code to charge less than the established minimum rates on paddy rice in connection with transportation performed for Ray Tolson Rice Mill in Woodland, pending hearing.<sup>1/</sup> Said authority was extended by Decision No. 78615, and is scheduled to expire September 24, 1971.

Public hearing was held and the application submitted on July 9, 1971, in San Francisco. No one opposed the granting of the sought authority.

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1/ The name of Ray Tolson Rice Mill has been changed to Welco Rice Milling Company.

Evidence in support of the application was presented by applicant's president and a certified public accountant. Applicant's president explained that applicant engages in the hauling of grain, fertilizer, safflower seed and rice, in bulk. The transportation of rice accounts for approximately 50 percent of applicant's annual gross revenues. The hauling of rice is from the field to the rice drier (wet rice), from the drier to the rice mill (paddy rice) and from the rice mill to ports for export (milled rice). The transportation of paddy rice to rice mills accounts for approximately 25 percent of applicant's annual gross revenues. This witness also testified that the proposed rates, as revised in the Third Amendment to the application, will be compensatory and are necessary to retain the business by Sharp.

The certified public accountant presented in evidence studies of the costs of handling shipments from each of 54 points of origin to the plant of the Welco Rice Milling Company in Woodland. The costs were developed from the books and records of the company. The total cost for each haul was compared with the revenue for such haul under the rate proposed in the amended application. In each instance, the proposed rate exceeds the related total cost and provides an ample margin for profit.

In the circumstances, the Commission finds that the proposed less-than-minimum rates will be compensatory and such rates will be reasonable (Section 3666). The application, after hearing, should be granted and the rates authorized in the following order should be made to expire in one year.

O R D E R

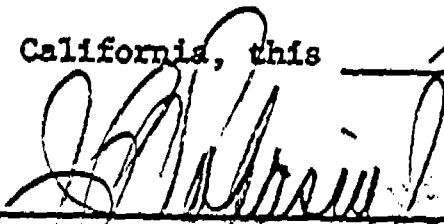
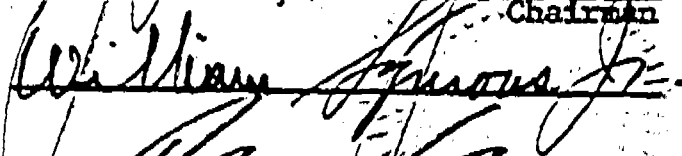
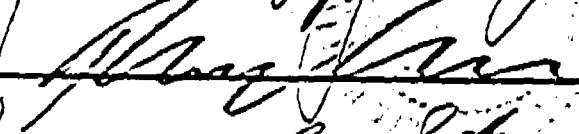

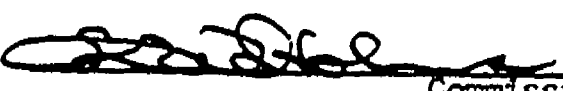
IT IS ORDERED that:

1. Sharp Farms Trucking, Inc., a corporation, is authorized to transport paddy rice for Welco Rice Milling Company from and to the points set forth in Appendix A, attached hereto, at rates less than the established minimum rates, but not less than those set forth, and subject to the conditions specified, in said Appendix A.

2. On and after the effective date of this order, the rates set forth in Appendix A hereof shall supersede the rates set forth in Appendix A of Decision No. 77977, and the rates in Appendix A hereof shall expire September 24, 1972 unless sooner canceled, modified or extended by order of the Commission.

The effective date of this order is ten days after the date hereof.

Dated at San Francisco, California, this 10th  
day of AUGUST, 1971.

  
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Chairman  
  
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Commissioners

APPENDIX A  
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## SHARP FARMS TRUCKING, INC.

Commodity: Paddy Rice, in bulkMinimum Weight: 52,000 poundsTo: Welco Rice Milling Company, WoodlandFrom:

<u>Warehouse or Drier</u>	<u>Location</u>	<u>Rate in Cents Per 100 Pounds</u>
Eronner Warehouse	Biggs	13
Bultena Drier	Durham	15
Butte City Warehouse	Princeton	14
Butte City Warehouse	Butte City	14.5
Butte Creek Drier	Butte City +6	14.5
Butte County Rice Drier	Richvale	14
California Dehydrator	West Sacramento	6.5
Collins & Story Warehouse	Robbins	6.5
College City Warehouse	College City	10
County Line Warehouse	Hershey	7
Colusa Glenn Drier	Maxwell	13
Charles Johnson Bins	Biggs	13
DePue Warehouses		
Azevedo	Williams	11
Spooer	Williams +1	11
Berlin	Generva	12
Delevan/Maxwell	Delevan	13
Erdman Drier	Knight's Landing	8
Erle Drier	Marysville +2	10
Farmers Rice Co-op	Princeton (Stegeman)	13
Farmers Rice Co-op	W. Sacramento	6.5
Hoffman Drier	Ostrom +2	11
Hi and Dri Warehouse	Sutter	12
Hi and Dri Warehouse Dist. 10	Marysville +5	12
Hayrico	Woodland	4
Gridley Warehouse	Gridley	3
C.B.C. Warehouse	Woodland	3
W. P. Jopson Drier	Trowbridge	10
Cheney Drier	Williams +3	11

APPENDIX A  
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## SHARP FARMS TRUCKING, INC.

<u>Warehouse or Drier</u>	<u>Location</u>	<u>Rate in Cents Per 100 Pounds</u>
Kalsfbeck Drier	College City	10
Red Top Drier	Biggs	13
Sacramento River Warehouse	Colusa & Eastside	13
Sacramento River Warehouse	Grimes	13
Sacramento River Warehouse	Millers Landing	8
Fritz Strain Drier	Generva	9
Pacific Internat'l Rice Mills	Woodland	3
La Mafia Drier	Richvale +2	14
Sutter Drier	Knight's Landing	6
Tyndall Warehouse	Tyndall	7
Woodland Warehouse	Woodland	4
Willows Rice Drier	Willows	13
Van Dyke Drier	Pleasant Grove	12
Terrel Farms Drier	Colusa +12	13
Weyan Drier (Lundberg)	Richvale +2	14
Rice Growers Assn.	Sacramento	6.5
RGA Westside	Riz	13
Ruff and Wipple	Marysville +3	12
Shintaffer Drier	Marysville	11
Tom Gordon	Princeton +2	14
T. B. Sills	Riego	6.5
Glenn Growers	Codora	13
Doty Brick Warehouse	Biggs	13
John Fenn Drier	Live Oak +8	13
S & S Warehouse	Pleasant Grove	10
Farmers Rice Co-op Colusa	Colusa	14