

Decision No. ~~84664~~

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Le Roy A. Wahl for authority to depart from minimum rates, under Section 3666 of the Public Utilities Commission code, in connection with certain transportation to be performed for Welco Rice Milling Company in Woodland, California.

Application No. 55565
(Filed March 14, 1975)

Arden Reiss, for applicant.
R. C. Broberg and H. W. Hughes, for California
Trucking Association, and Robert K. Davidson,
for Roy E. Lay Trucking, interested parties.
Harry E. Cush, for the Commission staff.

O P I N I O N

Le Roy A. Wahl (Wahl) operates as a radial highway common carrier. Wahl seeks authority under Section 3666 of the Public Utilities Code to deviate from the minimum rates in Minimum Rate Tariff 14-A (MRT 14-A) for the transportation of rough paddy rice in bulk between numerous driers in the Sacramento and San Joaquin Valleys, on the one hand, and Welco Rice Milling Company in Woodland, on the other hand. The authority sought was granted on an interim basis by Order No. SDD-317, as amended by Order No. SDD-339.

Public hearing was held before Examiner O'Leary at Sacramento on May 8, 1975 at which time the matter was submitted.

Evidence in support of the application was presented by applicant and his accountant. The rates proposed by applicant are set forth in Exhibit 1.

Applicant testified that in most instances loading is accomplished by gravity by placing the truck adjacent to a storage bin and having it loaded through a chute. When loading is not by gravity, it is accomplished by use of an auger. Time for loading ranges from 15 minutes when accomplished by gravity to 30 minutes when an auger is used. Unloading is performed by dropping loads into a pit at destination. Unloading time ranges from 15 to 30 minutes. Applicant has five power units and seven sets of hopper bottom trailers which can be utilized for the proposed transportation. Applicant anticipates an average of 12 loads per day will be moved at the proposed rates.

Revenue and expense data (Exhibit 2) submitted by applicant indicate that operations at the proposed rates will be compensatory. In the event subhaulers are employed to perform the transportation applicant would pay them 90 percent of the rates authorized.

The representative of the California Trucking Association and the representative of the Commission staff urged that should the Commission find applicant's proposal reasonable that any authority granted not apply to transportation performed by subhaulers since no cost data was presented with respect to subhaulers. The representative of the California Trucking Association also suggested that because of the regularity of movement applicant should be directed to obtain a highway contract carrier permit as the operations performed may not be covered by Wahl's radial highway common carrier permit.

With respect to the recommendation regarding subhaulers, we are aware that on applicant's obtaining authority to deviate from the minimum rates it should perform the transportation in its own equipment wherever possible. Highway carriers generally utilize subhaulers when the volume of traffic tendered is not capable of being performed with their own equipment. Adoption of the recommendation would not guarantee the subhauler a fixed amount of compensation

since there are no minimum rates established for subhauling this commodity. However, to insure that applicant will not utilize sub-haulers except when absolutely necessary the authority granted herein will be so conditioned that subhaulers may only be utilized for loads in excess of 12 per day.

With respect to the observation by the representative of the California Trucking Association that applicant be directed to obtain a highway contract carrier permit, the record herein does not warrant such a directive. However, applicant is placed on notice that should its operations for Welco Rice Milling Company be between fixed termini or over a regular route he should apply for a highway contract carrier permit.

Findings

1. The circumstances that exist for applicant's transportation of the commodity involved in this proceeding which are not present in the ordinary transportation of this commodity are substantial movement, minimal delays because of scheduled movements, and expedited loading and unloading.
2. There is a cost saving directly attributable to applicant's transportation of the commodity involved.
3. The proposed rates are compensatory, reasonable, and justified.
4. Subhaulers should not be utilized except for loads in excess of 12 in any particular day.

The Commission concludes that the application should be granted as set forth in the ensuing order. As conditions may change, the authority will be made to expire December 31, 1975 unless sooner canceled, modified, or extended by order of the Commission.

O R D E R


IT IS ORDERED that:


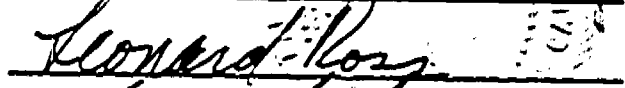

1. Le Roy A. Wahl is authorized to depart from the minimum rates set forth in Minimum Rate Tariff 14-A to the extent set forth in Appendix A attached hereto and by this reference made a part hereof.

2. The authority granted herein shall expire December 31, 1975 unless sooner canceled, modified, or extended by order of the Commission.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 15th day of JULY, 1975.


President




Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
Page 1 of 2Carrier: Le Roy A. Wahl.Commodity: Rough paddy rice in bulk.Between: Welco Rice Milling Company, Woodland, on the one hand, and:

		Rate in Cents Per 100 lbs.
C. B. C. Warehouse	Woodland	.05
Pacific Int'l Rice Mills	Woodland	.055
Woodland Warehouse	Woodland	.06
Hayrico	Woodland	.065
Sutter Drier	Knight's Landing	.085
Collins & Storey Whse.	Robbins	.09
California Dehydrator	West Sacramento	.10
County Line Warehouse	Hershey	.10
Farmers Rice Co-Op	West Sacramento	.10
Rice Growers Ass'n	West Sacramento	.10
T. B. Sills	Riego	.10
Tyndall Warehouse	Tyndall	.105
Erdman Drier	Miller's Landing	.115
W. P. Jopson Drier	Trowbridge	.11
Sacramento River Whse.	Miller's Landing	.115
College City Warehouse	College City	.13
De Pue Whse. - Berlin	Generva	.14
Kalsfbeck Drier	College City	.135
S & S Warehouse	East Nicolaus	.13
Fritz Strain Drier	Generva	.13
Sacramento River Whse.	Grimes	.145
Shintaffer Drier	Marysville	.14
De Pue Whse. - Azevedo	Williams	.145
De Pue Whse. - Spooner	Williams + 1	.145
Erle Drier	Marysville + 2	.145
Hi & Dri Warehouse	Marysville + 5	.145
Hi & Dri Warehouse	Sutter	.145
Hofman Drier	Ostrom + 2	.15

APPENDIX A
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		Rate in Cents Per 100 lbs.
Colusa Glenn Drier	Maxwell	.16
De Pue Whse. - Delevan/Maxwell	Delevan	.165
Farmers Rice Co-Op	Colusa	.16
John Fenn Drier	Live Oak + 8	.16
Gridley Warehouse	Gridley	.16
Sacramento River Whse.	Colusa & Eastside	.16
Bronner Warehouse	Biggs	.17
Butte City Warehouse	Princeton	.17
Butte County Rice Drier	Richvale	.17
Doty Brick Warehouse	Biggs	.17
Farmers Rice Co-Op	Princeton/Stegeman	.17
Tom Gordon	Princeton + 2	.18
Charles Johnson Bins	Biggs	.17
La Malfa Drier	Richvale + 2	.18
Red Top Drier	Biggs	.17
Rice Growers Ass'n	Biggs	.17
Rice Growers Ass'n	Riz	.175
Terrel Farms Drier	Colusa + 12	.17
Weyan Drier [Lundberg]	Richvale + 2	.18
Willows Rice Drier	Willows	.175
Bultema Drier	Durham	.18
Butte City Warehouse	Butte City	.185
Butte Creek Drier	Butte City + 6	.185
Glen Growers	Codora	.18
McKnight Ranch	Nelson + 2	.185
Starkey Bins	Richvale + 4	.185
Fenn Elevator & Storage	Nelson + 13	.19

Minimum Weight: 52,000 lbs.Conditions:

1. Loading to be performed by gravity through a chute or by an auger.
2. Unloading to be performed by gravity.
3. Subhaulers not to be utilized except for loads in excess of 12 in any particular day.