

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 BULK TRANSPORTATION, a corporation,)
 to perform transportation services)
 for the account of CORN PRODUCTS, a)
 unit of CPC International, in the)
 movement of corn germ at less than)
 minimum rates.)

Application 84-03-52
 (Filed March 14, 1984)

O P I N I O N

Bulk Transportation (applicant) is a California corporation with its principal place of business in Walnut, California. A certified copy of its Articles of Incorporation has been filed with the Commission in File No. T-71,340. Applicant holds certificates from this Commission as a highway common carrier and a cement carrier, and permits as a highway contract carrier, dump truck carrier, tank truck carrier, and agricultural carrier.

Applicant is requesting authority to charge less than the established minimum rates in Minimum Rate Tariff (MRT) 14-A, for the transportation of corn germ from the Stockton production plant of Corn Products, located in Stockton, California, to Liberty Vegetable Oil, Santa Fe Springs, California. Applicant proposes to charge \$0.96 per 100 pounds, subject to a 50,000-pound minimum weight per load. Loading and unloading time in excess of one hour to be charged at the rate of \$3.00 for each 15 minutes or fraction thereof.

Corn Products is open 24 hours a day, seven days a week. It ships 425 tons of corn germ a week, or about 1700 tons every month. The commodity must be shipped in clean, tarped vehicles to prevent contamination. Applicant's equipment consists of two-axle trailers, pulling gravity unloaded, bottom-dump, hopper-type trailers, or semitrailers with bottom-dump capability. Applicant has 45 units available to perform the service.

If the Commission grants this application, the transportation in issue will be performed as part of a round-trip revenue movement. The trucks will leave Walnut and proceed empty to Corona, where they will load for Santa Clara. Upon unloading at Santa Clara they will proceed to Stockton and reload for Metropolitan Zone (MZ) 237 in Los Angeles.

Appendixes A and B attached to the application set out in detail applicant's cost of operation and expected profit on the transportation to be performed at the reduced rate. It is estimated that the proposed transportation will be performed, as part of a round-trip revenue movement, with an operating ratio of 86.5%. Applicant's balance sheet dated March 31, 1983 shows applicant is financially stable with a net worth of approximately \$1,000,000.

Attached to the application is a letter of support from Corn Products dated March 7, 1984.

The application was listed on the Commission's Daily Transportation Calendar of March 21, 1984. No objection to the granting of the application has been received.

Since there is an immediate need for the rate relief, the following order should be made effective on the date it is signed.

Findings of Fact

1. Applicant operates as a highway common carrier, cement carrier, dump truck carrier, highway contract carrier, tank truck carrier, and agricultural carrier.
2. Applicant requests authority to deviate from the minimum rate provided in MRT 14-A for the transportation of corn germ from Corn Products in Stockton to Liberty Vegetable Oil in Santa Fe Springs.
3. Applicant proposes to assess a rate of 96 cents per 100 pounds, subject to a minimum weight of 50,000 pounds per load, plus loading or unloading in excess of one hour at the rate of \$3.00 for each 15 minutes or fraction thereof.

4. Corn Products operates 24 hours a day, 7 days a week, and supports the application.
5. The proposed rate will provide an operating ratio of 86.5%.
6. Applicant's transportation involves unique circumstances.
7. Applicant's costs for this transportation are less than those used to set the rates in MRT 14-A.
8. The proposed rate is reasonable.
9. The following order has no reasonable foreseeable impact upon the energy efficiency of highway carriers.
10. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.
2. 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. The application of Bulk Transportation, a California corporation, is granted and it may depart from the rates in Minimum Rate Tariff 14-A by charging not less than the rates in Appendix A, attached.

2. This authority shall expire one year after the effective date of this order.

This order is effective today.

Dated JUL 18 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO

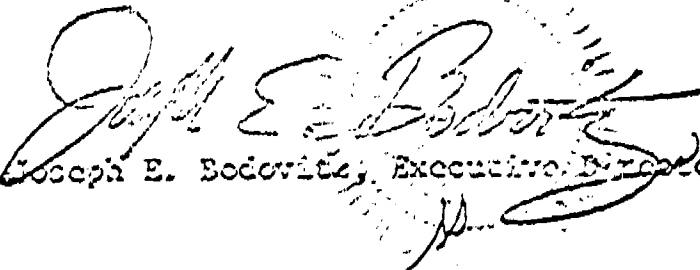
PRISCILLA C. CREW

DONALD VIAL

WILLIAM T. BAGLEY

Commissioners

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


Joseph E. Bodovitz, Executive Director

APPENDIX A

T-71,340

Carrier: Bulk Transportation.

Commodity: Corn germ.

Origin: Corn Products production plant, Stockton.

Destination: Liberty Vegetable Oil plant at Santa Fe Springs.

Minimum weight: 50,000 pounds.

Rate: 96 cents per 100 pounds, minimum weight 50,000 pounds per load.

Conditions:

1. Commodity to be shipped in clean tarped vehicles to prevent contamination.
2. Rate includes one hour for loading and one hour for unloading computed from the time the carrier's equipment is tendered to consignor or consignee. Excess time will be assessed at the rate of \$3.00 for each 15 minutes or fraction thereof.
3. Applies only when there is a truckload shipment of borax, in bulk, from Boron to Santa Clara or roofing granules or crushed stone from Corona to Santa Clara in the same unit of equipment as part of the same round-trip cycle.
4. 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 rates in Minimum Rate Tariff 14-A.
5. In all other respects, the rates and rules in Minimum Rate Tariff 14-A shall apply.

(END OF APPENDIX A)