

ORIGINAL

Decision 82 04 041 APR - 6 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Apex Bulk Commodities, a corporation, for authority to deviate from the otherwise applicable minimum rates in the transportation of feed, grain, rice, grain products, animal or poultry feed.

Application 61041  
(Filed November 5, 1981;  
amended December 23, 1981)

O P I N I O N

Applicant Apex Bulk Commodities requests authority to deviate from the minimum rates set forth in Minimum Rate Tariff 14-A (MRT 14-A) in the transportation of grain, rice, grain products, and animal or poultry feed from and to points located in the Counties of San Luis Obispo, Santa Barbara, Los Angeles, Orange, San Diego, Imperial, Riverside, San Bernardino, Kern, Inyo, and Mono. A copy of the application and amended application were served on California Trucking Association. No protests to the application have been received.

Applicant holds authority from the Commission to operate as a highway contract carrier, highway common carrier, dump truck carrier, and as an agricultural carrier. Its headquarters is in Whittier. For the first eight months of 1981 it had gross income of \$3,200,000 and a net carrier operating income of \$100,000. Its net worth as of August 31, 1981 was \$143,000. It leases its operating equipment.

The reduced rates proposed to be charged are set out in Appendix A and apply on a minimum weight of 40,000 pounds. All other provisions of MRT 14-A are to apply. However, the reduced rates will apply "only when there is a backhaul available to match the outgoing trip." Letters in support of the application were

furnished by The Pillsbury Company, Fresno, Homer M. Thomas Co., Inc., Riverside, Consolidated Milling Co., San Francisco, and Snow Commodities Company, Inc., South Pasadena.

Applicant presented evidence in its application of its costs and potential revenues involved in four sample round-trip hauls in connection with the proposed operations, of 348 miles, 486 miles, 566 miles, and 903 miles, respectively, and showed corresponding operating ratios of 75%, 91%, 85%, and 87%. Applicant used labor costs of \$14.71 an hour for driving time and loading and unloading time. The cost of deadhead miles was included in the overall costs. Applicant states that it has backhauls available to it amounting to 20 or more loads per week as follows:

Cottonseed Meal from Cawelo to Riverside.  
Grape Pomace from Tulare to San Diego.  
Grain Screenings from Kerman to Chino.  
Poultry Meal from Livingston to Irvine.

The Commission staff believes that applicant's costs and the proposed rates are reasonable and recommends the granting of the application.

Findings of Fact

1. Applicant operates as a highway contract carrier, highway common carrier, dump truck carrier, and as an agricultural carrier.
2. It requests authority to deviate from the minimum rates set forth in MRT 14-A in the transportation of grain, rice, grain products, and animal or poultry feed from and to points located in the Counties of San Luis Obispo, Santa Barbara, Los Angeles, Orange, San Diego, Imperial, Riverside, San Bernardino, Kern, Inyo, and Mono.
3. The reduced rates are set forth in Appendix A and are to apply on a minimum weight of 40,000 pounds and only when there is a backhaul available to match the outgoing trip.
4. The application is supported by four shippers of the subject commodities.
5. Applicant has available to it approximately 20 qualifying hauls per week.

6. Applicant developed estimated costs for four sample round-trip hauls in connection with the proposed operation.
7. The sample hauls would have given applicant operating ratios, respectively, of 75%, 91%, 85%, and 87%.
8. The costs used by applicant in developing the four sample hauls are reasonable.
9. The rates proposed by applicant will result in profitable operations.
10. Applicant's transportation involves unique circumstances.
11. The proposed rates are reasonable.
12. A public hearing is not necessary.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that Apex Bulk Commodities may depart from the rates in Minimum Rate Tariff 14-A by charging not less than the rates in Appendix A.

This order becomes effective 30 days from today.

Dated APR 6 1982, at San Francisco, California.

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

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

  
Joseph E. Bodovitz, Executive Director

APPENDIX A  
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Carrier: Apex Bulk Commodities.  
Shipper: Various.  
Commodities: Grain, rice, grain products, and animal or poultry feed.  
Origin: Points in the Counties of San Luis Obispo, Santa Barbara, Los Angeles, Orange, San Diego, Imperial, Riverside, San Bernardino, Kern, Inyo, and Mono.  
Destination: Points in the Counties of San Luis Obispo, Santa Barbara, Los Angeles, Orange, San Diego, Imperial, Riverside, San Bernardino, Kern, Inyo, and Mono.  
Minimum Weight: 40,000 pounds.  
Rates:

Over	But Not Over	Rate Per Ton	Over	But Not Over	Rate Per Ton
(Miles)			(Miles)		
000	100	\$ 7.00	250	260	\$11.00
100	110	7.25	260	270	12.00
110	120	7.50	270	280	12.50
120	130	7.75	280	290	13.00
130	140	8.00	290	300	14.00
140	150	8.25	300	310	15.00
150	160	8.50	310	320	16.00
160	170	8.75	320	330	16.50
170	180	9.00	330	340	17.00
180	190	9.25	340	350	17.50
190	200	9.25	350	360	18.00
200	210	9.50	360	370	18.50
210	220	9.50	370	380	19.00
220	230	9.75	380	390	19.50
230	240	9.75	390	400	20.00
240	250	10.00	Each Additional 10 Miles Increase 50¢ per Ton.		

Applicability of Rates:

1. The minimum weight shall apply per unit of carrier's equipment consisting of a tractor and one or more semi- or pull trailers.
2. The rates set forth will apply only when there is a backhaul available to match the outgoing trip.
3. 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 not less than the rates authorized without any deduction for use of applicant's trailing equipment.
4. The rates set forth may not be used in combination with any other rates.
5. Except as otherwise provided, the rules and regulations of Minimum Rate Tariff 14-A shall govern.

(END OF APPENDIX A)