

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Shannon Bros. Co., a California)
corporation, for authority to depart)
from the rates, rules and regulations)
of Minimum Rate Tariff 14-A in the)
transportation of bulk grain for)
Cargill, Incorporated under the)
provisions of § 3666 of the Public)
Utilities Code)

Application 82-06-59
(Filed June 25, 1982)

O P I N I O N

Applicant is a California corporation with a copy of its Articles of Incorporation on file with the Public Utilities Commission. It holds a certificate of public convenience and necessity subject to Public Utilities (PU) Code § 1063.5 and operates statewide as a highway contract carrier, agricultural carrier, and a livestock carrier under permits issued in File T-69377.

Applicant is requesting authority to deviate from minimum rates for the transportation of bulk grain from Goshen, California to all consignees located within the extended areas of Stockton and Sacramento, and to also include, where necessary, stops in transit for grain inspection within either of those extended areas.

The minimum rates for the transportation involved are provided in Item 550 of Minimum Rate Tariff (MRT) 14-A. The current rate from Goshen to Stockton is 61 cents per 100 pounds, plus a 3% surcharge, subject to a minimum weight of 52,000 pounds per shipment. This rate is calculated for 160 constructive miles from Goshen through the Grain Inspection Station to destination in Stockton.

A.82-06-59

From Goshen to Sacramento the rate is 79 cents per 100 pounds plus a 3% surcharge, minimum weight 52,000 pounds.

Applicant is proposing a rate of 50 cents per 100 pounds to Stockton and 65 cents per 100 pounds to Sacramento with no surcharge, subject to a minimum weight of 52,000 pounds. No split pickup or split delivery services will be performed. Consignor will be allowed one hour free time for loading. Consignee will be allowed one hour for unloading, without charge. After free time has elapsed, the charge in cents provided in the tariff for waiting time will be assessed. In all other respects, the rates and rules set forth in MRT 14-A shall apply.

The operation will be profitable since about 60 shipments per month will be transported and 2/3 of these hauls will return from Lathrop to dealers in either Tulare or Kings County, with a load of fertilizer. Loading and unloading is performed by gravity-type equipment which requires little labor and less supervision. Applicant has been performing this service since July 1, 1960, and experience has helped to increase efficiency and reduce cost.

Attached to the application is a letter dated June 8, 1982, from Cargill Community Marketing Division, the shipper of grain. It states that Cargill moves about 75,000 tons of grain a year from Goshen to Stockton and Sacramento. Applicant is used as frequently as possible. Transportation by rail or vessel has been found to be too costly.

Applicant served a copy of the application on California Trucking Association in Burlingame, California Manufacturers Association in Sacramento, and the California Farm Bureau Federation

and California Grain and Feed Association, also in Sacramento. Filing of the application was also noted in the Commission's Daily Calendar and no protests have been received.

Findings of Fact

1. Applicant's transportation involves unique circumstances.
2. Applicant's costs for this transportation are less than those used to set the rates in MRT 14-A.
3. The proposed rates are reasonable.

Conclusion of Law

The application should be granted but since transportation conditions may change, this authority should expire in one year.

O R D E R

IT IS ORDERED that:

1. Shannon Bros. Co. may depart from the rates in MRT 14-A by charging not less than the rates in Appendix A.

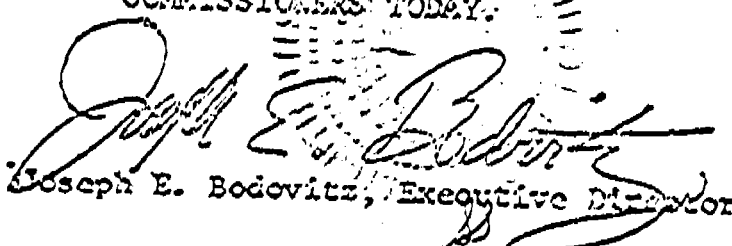
2. This authority shall expire one year after the effective date.

This order becomes effective 30 days from today.

Dated SEP 8 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: Shannon Bros. Co.
Shipper: Cargill, Incorporated
Commodity: Bulk grain
Minimum Weight: 52,000 pounds per unit of carrier's equipment

		<u>Rates in</u> <u>Cents per Hundred Pounds</u>
From: Goshen	To: Stockton	50
	Sacramento	65

Conditions:

1. One hour free time will be allowed for loading.
2. One hour free time will be allowed for unloading.
3. Time in excess of the free time specified above shall be charged as provided in MRT 14-A, Item 130.
4. No split pickup or split delivery service will be provided under the above rates.
5. Applicant has indicated that subhaulers will not be engaged nor have any costs of subhaulers been submitted. Therefore, if subhaulers are employed, they shall be paid no less than the rates authorized without any deduction for use of applicant's trailing equipment.
6. In all other respects, the rates and rules in Minimum Rate Tariff 14-A shall apply.

(END OF APPENDIX A)

Decision 82 09 053

SEP 8 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 Shannon Bros. Co., a California)
 corporation, for authority to depart)
 from the rates, rules and regulations)
 of Minimum Rate Tariff 14-A in the)
 transportation of bulk grain for)
 Cargill, Incorporated under the)
 provisions of § 3666 of the Public)
 Utilities Code)

Application 82-06-59
(Filed June 25, 1982)

O P I N I O N

Applicant is a California corporation with a copy of its Articles of Incorporation on file with the Public Utilities Commission. It holds a certificate of public convenience and necessity subject to Public Utilities (PU) Code § 1063.5 and operates statewide as a highway contract carrier, agricultural carrier, and a livestock carrier under permits issued in File T-69377.

Applicant is requesting authority to deviate from minimum rates for the transportation of bulk grain from Goshen, California to all consignees located within the extended areas of Stockton and Sacramento, and to also include, where necessary, stops in transit for grain inspection within either of those extended areas.

The minimum rates for the transportation involved are provided in Item 550 of Minimum Rate Tariff (MRT) 14-A. The current rate from Goshen to Stockton is 61 cents per 100 pounds, plus a

SS ~~three 3% percent~~ surcharge, subject to a minimum weight of 52,000 pounds per shipment. This rate is calculated for

160 constructive miles from Goshen through the Grain Inspection Station to destination in Stockton. From Goshen to Sacramento the rate is 79 cents per 100 pounds plus a ~~3%~~ ^{3 1/2} percent surcharge, minimum weight 52,000 pounds.

Applicant is proposing a rate of 50 cents per 100 pounds to Stockton and 65 cents per 100 pounds to Sacramento with no surcharge, subject to a minimum weight of 52,000 pounds. No split pickup or split delivery services will be performed. Consignor will be allowed one hour free time for loading. Consignee will be allowed one hour for unloading, without charge. After free time has elapsed, the charge in cents provided in the tariff for waiting time will be assessed. In all other respects, the rates and rules set forth in MRT 14-A shall apply.

The operation will be profitable since about 60 shipments per month will be transported and 2/3 of these hauls will return from Lathrop to dealers in either Tulare or Kings County, with a load of fertilizer. Loading and unloading is performed by gravity-type equipment which requires little labor and less supervision. Applicant has been performing this service since July 1, 1960 and experience has helped to increase efficiency and reduce cost.

Attached ^{to the application} is a letter dated June 8, 1982 from Cargill Community Marketing Division, the shipper of grain. It states that Cargill moves about 75,000 tons of grain a year from Goshen to Stockton and Sacramento. Applicant is used as frequently as possible. Transportation by rail or vessel has been found to be too costly.

Applicant served a copy of the application on California Trucking Association in Burlingame, California Manufacturers Association in Sacramento, and the California Farm Bureau Federation