

Decision 83 02 063 FEB 16 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Rob Jon Goliti, an individual,)
doing business as Midnight Express)
Trucking Co., for authority to)
depart from the rates, rules)
and regulations of Minimum Rate)
Tariff 8-A in the transportation)
of potatoes from San Jacinto to)
three consignees in Fresno.)
_____)

Application 82-12-32
(Filed December 13, 1982)

O P I N I O N

By this application Rob Jon Goliti, an individual doing business as Midnight Express Trucking Co., seeks authority to charge less than the minimum rate in Minimum Rate Tariff (MRT) 8-A for the transportation of potatoes in cartons and in bags from a packing plant in San Jacinto to the facilities of Hobbs-Parsons Company, OK Produce, Inc., and Fresno Mountain Foods in the Fresno Extended Area for the account of each of the three consignees.

Goliti proposes a rate of \$500 and a maximum weight of 50,000 pounds per shipment subject to the following conditions:

1. Loading shall be by the consignor with no cost to the carrier.
2. The loaded trailer shall be delivered to and left with the consignee who shall be responsible for unloading.
3. In the event the trailer is not unloaded by the consignee and ready for pickup by the carrier within 24 hours of delivery, a delay charge of \$45 shall be assessed for each additional 24-hour period or fraction of that time.
4. In all other respects the rates and rules in MRT 8-A shall apply.

The applicable minimum rate in MRT 8-A, including the current 2½% surcharge, for the transportation in issue is \$1.43 per 100 pounds, minimum weight 43,000 pounds. This is based on the 300 to 325 constructive mileage rate bracket which would apply to shipments from San Jacinto to the three destinations in the Fresno Extended Area. The sought rate for a shipment at the maximum 50,000-pound weight would equal \$1 per 100 pounds. This would increase if the actual weight of the shipment were less.

The application states as follows:

1. Goliti holds highway contract carrier and agricultural carrier permits. He has a terminal at Clovis.
2. Goliti and his personnel are experienced in the transportation of produce, including potatoes. The three consignees have each indicated by letters attached to the application that they will use Goliti to transport potato shipments for them if the sought authority is granted.
3. The proposed transportation would be performed on a regular basis with an average of approximately three shipments a week. Goliti now transports fruit and vegetable shipments in the opposite direction from Fresno and from Slater to the Los Angeles Market Area. Slater is south of Fresno and closer to Los Angeles. There are three to five such produce shipments per week, at least one for each proposed potato shipment.
4. Based on operating efficiencies, maximum use of equipment, and favorable costs that would result from the round-trip transportation of produce southbound and potatoes northbound, the proposed rate is compensatory.
5. Should subhaulers be used for any of the proposed potato transportation, Goliti would pay them 100% of the sought rate.

The revenue and cost data presented with the application are based on a maximum possible round-trip distance of 608 miles from and to Goliti's terminal, which would include either the Fresno or Slater to Los Angeles Market Area produce hauls, the proposed potato haul, and all empty miles except for the return from the carrier's terminal to pick up the empty trailer after the consignee had unloaded the potato shipment. This would be done when he was on his way to pick up some other shipment. Following is a summary of the total revenue, expense, net income, and operating revenue data shown for the 608-mile round-trip produce and proposed potato hauls.

	<u>Round Trip</u>	
	<u>With Fresno Produce Haul</u>	<u>With Slater Produce Haul</u>
Revenue	\$1,197.29	\$1,074.50
Expense	<u>876.88</u>	<u>876.88</u>
Net Income	\$ 320.41	\$ 197.62
Operating Ratio	73.2%	81.6%

As of September 30, 1982, Goliti had assets of \$171,592, liabilities of \$127,041, and a net worth of \$44,551. For the first nine months of 1982, he had income of \$398,570, expenses of \$374,192, and a profit of \$24,378 before provisions for income taxes.

The application was listed on the Commission's Daily Calendar and Daily Transportation Calendar. Goliti served copies on the California Trucking Association, the California Manufacturers' Association, and the California Farm Bureau. No protest to the application has been received.

We are of the opinion that the application should be granted. However, since the profitability of the proposed potato

haul is dependent on a southbound produce haul, the authorized rate will be subject to an additional condition requiring this.

On January 31, 1983, Goliti advised that the potato haul is now commencing and that the three consignees will not use his service for this transportation unless the sought authority is granted. Since there is an urgent need for the relief, the following order should be made effective on the date it is signed.

Findings of Fact

1. The transportation in issue involves unique circumstances.
2. Goliti's costs for this transportation are less than those used to set the rates in MRT 8-A.
3. If subhaulers are used, Goliti will pay them 100% of the sought rate.
4. The proposed rate is compensatory.
5. The proposed rate is reasonable.
6. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted as set forth in the following order.
2. Since transportation conditions may change, this authority should expire in one year.
3. This order should be effective on the date signed because there is an immediate need for rate relief.

O R D E R

IT IS ORDERED that:

1. Rob Jon Goliti may depart from the rate in MRT 8-A by charging not less than the rate in Appendix A.

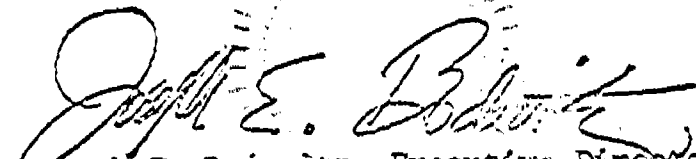
2. This authority shall expire one year after the effective date of this order unless sooner canceled or extended by order of the Commission.

This order is effective today.

Dated FEB 16 1933, at San Francisco, California.

LEONARD M. GRIMES, JR.
President
VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
Commissioners

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


Joseph E. Bolovitz, Executive Director

APPENDIX A

Carrier: Rob Jon Goliti.

Commodity: Potatoes in cartons and in bags.

Origin: Packing facility, San Jacinto.

Destinations: Hobbs-Parsons Company, OK Produce, Inc., or
Fresno Mountain Foods, Fresno Extended Area.

Rate: \$500 per shipment.

Maximum Weight: 50,000 pounds per shipment.

Conditions:

1. Loading to be performed by consignor without cost to carrier.
2. Loaded trailer to be delivered to and left with consignee who shall be responsible for unloading.
3. In the event the trailer is not unloaded by the consignee and ready for pickup by the carrier within 24 hours of delivery, a delay charge of \$45 shall be charged for each 24-hour period or fraction of that time until the trailer is ready for pickup.
4. Rate applies only when transportation of a truck-load of fruits or vegetables at applicable rates from Fresno or Slater to the Los Angeles Market Area immediately precedes the potato shipment in the same unit of equipment.
5. If applicant engages subhaulers to perform this transportation, these carriers shall be paid 100% of the rate shown without any deduction for use of applicant's trailing equipment.
6. In all other respects, the rates and rules in Minimum Rate Tariff 8-A apply.

(END OF APPENDIX A)