

Decision 83 CS 025

JUN 1 1983

~~UNRECORDED~~

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of
Darrell L. Green, Inc., 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 Section 3666 of the
Public Utilities Code.

Application 83-03-60
(Filed March 24, 1983)

O P I N I O N

By this application Darrell L. Green, Inc. (applicant) a California corporation requests authority to assess rates less than those named in Minimum Rate Tariff (MRT) 14-A for the transportation of bulk grain for Cargill, Inc. from Famoso and Goshen to flour mills located within Los Angeles Metropolitan Zones (MZ) 229, 235, and 236. The authorized rates would include stops for inspection at the Grain Exchange in MZ 236.

Applicant proposes to assess rates of 57 cents and 72 cents per 100 pounds, respectively, minimum weight 47,000 pounds, from Famoso and Goshen. Current minimum rates shown in MRT 14-A for this transportation are 65 cents and 79 cents, minimum weight 52,000 pounds. No split pickup or delivery would be performed at the proposed rates. Consignors and consignees would be allowed only one hour free time for loading and unloading.

Applicant advises that shipper regularly has about 40 shipments available each month for transportation. Applicant also advises that it presently transports, on a proprietary basis, mill run, a grain byproduct, from one of the flour mills located in MZ's 229, 235, and 236 to dairies in Kern, Kings, and Tulare Counties. This transportation is performed daily except weekends. Applicant thus expects to experience empty mileage only between destination dairies, its terminal in Tulare and shipper origins in Famoso and Goshen.

The shipper has furnished a letter supporting the proposal.

Applicant does not intend to use subhaulers in providing service at the proposed rates.

Applicant has served copies of its application on the California Trucking Association and on three shipper associations. Notice of filing of the application appeared in the Commission's Daily Transportation Calendar of March 28, 1983. No objection to granting the request has been received.

The cost and revenue information included with the application has been developed on a one-way (southbound) basis, since the return movements are in all cases performed as proprietary transportation. This information shows that southbound movements at the proposed rates are more than compensatory when no consideration is given to return move expenses. The Famoso shipments will yield a net profit on this basis of \$60.91, and Goshen shipments will yield a net profit of \$94.28. However, revenue at the proposed rates would not be compensatory if total costs were developed on a round-trip basis.

We will grant the request but restrict application of the rates to shipments immediately followed by return proprietary truckload movements destined to dairies in Kern, Kings, and Tulare Counties.

Because an immediate financial benefit is available to the shipper involved in this transportation, this decision should be effective today. ✓

Findings of Fact

1. Applicant requests authority to assess less than the minimum rates contained in MRT 14-A for the transportation of bulk grain.
2. Cost data submitted by applicant indicate that transportation at the proposed rates will be compensatory when immediately followed by a proprietary truckload movement to dairies located in Kern, Kings, and Tulare Counties.
3. Applicant does not intend to engage subhaulers to perform this transportation.

Conclusions of Law

1. The proposed rates are reasonable.
2. The application should be granted, conditioned upon immediate return loads to Kern, Kings, and Tulare Counties in the same unit of equipment.
3. Since transportation conditions may change, this authority should expire in one year.
4. There is an immediate opportunity for rate relief. Therefore, the effective date of this order should be today.
5. The authority granted should provide that if independent contractor-subhaulers are engaged to perform the transportation they must be paid not less than the rates authorized without any deductions.

O R D E R

IT IS ORDERED that:

1. Darrell L. Green, Inc. may depart from the provisions of MRT 14-A by assessing not less than the rates in Appendix A.
2. This authority shall expire one year after the effective date.

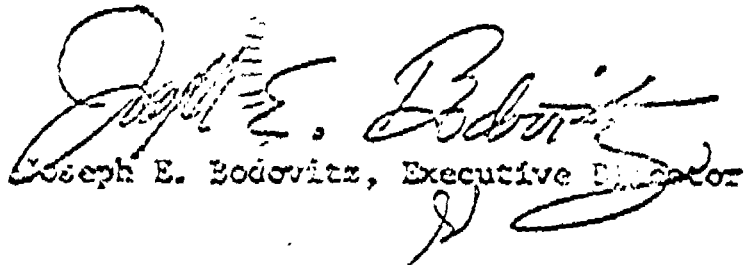
This order is effective today.

Dated JUN 1 1983, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. CREW
DONALD VIAL
Commissioners

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


Joseph E. Bodovitz, Executive Director

APPENDIX A

Carrier: Darrell L. Green, Inc.

Shipper: Cargill, Inc.

Commodity: Bulk grain.

Minimum Weight: 47,000 pounds.

Origin: Cargill, Inc. facilities located within one air mile of Famoso.

Rate: 57 cents per 100 pounds.

Origin: Cargill, Inc. facilities located within one air mile of Goshen.

Rate: 72 cents per 100 pounds.

Destinations: Consignees located in MZ's 229, 235, and 236.

Conditions:

1. No split pickup or split delivery may be performed under this authority.
2. Each shipment may be stopped in transit once at a grain inspection facility.
3. Loading and unloading must be performed by gravity. One hour free time for loading, and one hour for unloading are allowed.
4. Rates are not subject to any surcharge.
5. Rates apply only when shipments are immediately followed by transportation, in same unit of equipment, of a truckload movement of mill run from origin in Los Angeles County to dairies located in Kern, Kings, or Tulare Counties.
6. If independent contractor subhaulers are engaged to perform this transportation, they shall be paid not less than the rates authorized without any deductions.

(END OF APPENDIX A)

We will grant the request but restrict application of the rates to shipments immediately followed by return proprietary truckload movements destined to dairies in Kern, Kings, and Tulare Counties.

SS *shipper* Because an immediate financial benefit is available to the ~~debtor~~ involved in this transportation, this decision should be effective today.

Findings of Fact

1. Applicant requests authority to assess less than the minimum rates contained in MRT 14-A for the transportation of bulk grain.
2. Cost data submitted by applicant indicate that transportation at the proposed rates will be compensatory when immediately followed by a proprietary truckload movement to dairies located in Kern, Kings, and Tulare Counties.
3. Applicant does not intend to engage subhaulers to perform this transportation.

Conclusions of Law

1. The proposed rates are reasonable.
2. The application should be granted, conditioned upon immediate return loads to Kern, Kings, and Tulare Counties in the same unit of equipment.
3. Since transportation conditions may change, this authority should expire in one year.
4. There is an immediate opportunity for rate relief. Therefore, the effective date of this order should be today.
5. The authority granted should provide that if independent contractor-subhaulers are engaged to perform the transportation they must be paid not less than the rates authorized without any deductions.