ALJ/rr/md

Decision 83 06 026 JUN 1 1983

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of Ralph A. Wilburn, an individual, doing business as Wilburn Trucking Co., for authority to depart from the Rates, Rules and Regulations of Minimum Rate Tariff 14-A in the transportation of feed (dog food) from Ceres to a single consignee in Tracy.

Application 83-03-79 (Filed March 30, 1983)

<u>o p i n i o n</u>

Ralph A. Wilburn (applicant) requests authority to assess a rate less than the applicable rate named in Minimum Rate Tariff (MRT) 14-A for the transportation of bulk animal feed for Foster Turkey Products from Ceres to Tracy. The applicable rate is $27\frac{1}{7}\phi$ per 100 pounds, minimum weight 52,000 pounds; applicant proposes to assess a rate of 19 cents. It does not intend to engage subhaulers in performing this transportation.

The carrier alleges the following in support of its request:

- 1. Transportation will be on a regular basis, approximating six shipments per day.
- 2. The transportation presently is performed largely on a proprietary basis.
- 3. Round-trip mileage used in its cost development has been calculated from the carrier's terminal through origin, destination and return to terminal.

A copy of the application was sent to the California Trucking Association and the California Farm Bureau Federation. Notice of filing of the application appeared on the Commission's Daily Transportation Calendar of April 1, 1983. No objection to granting the application has been received.

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The carrier has furnished cost and revenue information to support its request. It has used average revenue of \$102.60 (19¢ x 54,000 lbs.) whereas its request is to observe a minimum weight of 52,000 pounds per load. Its total revenue and expense figures are respectively, \$1.4657 and \$1.0916 per mile on the 54,000-pound basis. Reducing the revenue per load to \$98.80 (19¢ x 52,000 lbs.) produces revenue per mile of \$1.4114, or a 77.3% operating ratio. The proposed rate is reasonable and the request will be granted.

Because an immediate financial benefit is available to the shipper involved in this transportation, this decision should be \angle 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 animal feed.

2. Cost data submitted by applicant indicate that transportation at the proposed rate will be compensatory.

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.

3. Since transportation conditions may change, this authority should expire in one year.

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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 this transportation they must be paid not less than the rates authorized without any deductions.

ORDER

IT IS ORDERED that:

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1. Ralph A. Wilburn may depart from the provisions of MRT 14-A by assessing not less than the rate 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. GREW DONALD VIAL Commissioners

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APPENDIX A

<u>Carrier</u>: Ralph A. Wilburn. <u>Shipper</u>: Foster Turkey Products. <u>Commodity</u>: Bulk Animal Feed. <u>Rate</u>: 19 cents per 100 pounds. <u>Minimum Weight</u>: 52,000 pounds. <u>Origin</u>: Ceres. <u>Destination</u>: Tracy. <u>Conditions</u>: 1. Rate is not subject to any surcharge.

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2. 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)

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The carrier has furnished cost and revenue information to support its request. It has used average revenue of \$102.60 (19¢ x 54,000 lbs.) whereas its request is to observe a minimum weight of 52,000 pounds per load. Its total revenue and expense figures are respectively, \$1.4657 and \$1.0916 per mile on the 54,000-pound basis. Reducing the revenue per load to \$98.80 (19¢ x 52,000 lbs.) produces revenue per mile of \$1.4114, or a 77.3% operating ratio. The proposed rate is reasonable and the request will be granted. Miscar Because an immediate financial benefit is available to the debtor involved in this transportation, this decision should be

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Findings of Fact

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2. Cost data submitted by applicant indicate that transportation at the proposed rate will be compensatory.

3. Applicant does not intend to engage subhaulers to perform this transportation.

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2. The application should be granted.

3. Since transportation conditions may change, this authority should expire in one year.