

Decision No. 71614**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
 SIERRA DISTRIBUTING, LTD., for)
 authorization to transport under)
 authority of Section 3666 of the)
 Public Utilities Code, sugar at)
 rates below Minimum Rate Tariff)
 No. 2.)

Application No. 48166
 (Filed January 7, 1966)
 (Amended March 28, 1966)

In the matter of the application)
 of JOHN T. LANE, for authorization)
 to transport under authority of)
 Section 3666 of the Public)
 Utilities Code, sugar at rates)
 below Minimum Rate Tariff No. 2.)

Application No. 48215
 (Filed January 31, 1966)

ADDITIONAL APPEARANCES

Richard W. Smith, for California Trucking
 Association; W. R. Donovan, for C & H Sugar;
Eugene E. Bombright, for Traffic Service
 Corp.; Al G. McGiboney, for Western Traffic
 Assn., interested parties.
George H. Morrison for the Commission staff.

O P I N I O N

By Application No. 48166, Sierra Distributing, Ltd.,
 (Sierra) sought authority as a highway contract carrier to assess
 rates three cents per 100 pounds less than the minimum rates on
 shipments of sugar in packages, minimum weight 40,000 pounds, from
 the California and Hawaiian Sugar Refining Corp. at Crockett to
 customers located at points not over 350 constructive miles from
 Crockett, when loading is performed by the shipper. By Application
 No. 48215, John T. Lane, doing business as Lane Drayage, (Lane)
 sought the same authority but confined to shipments to the Coca-
 Cola Company at San Francisco.

Decision No. 71258, dated September 6, 1966 temporarily granted the sought authorities for a ninety-day period. They expire December 25, 1966. That decision pointed out that applicants had not presented any evidence on the overall cost of transporting the sugar, and that further hearing should be held to allow applicants an opportunity to present evidence that the overall rates will be compensatory.

Further hearing was held on October 21, 1966 at San Francisco before Examiner Turpen. At that time Sierra presented its evidence in full, but Lane did not complete his showing and Application No. 48215 was adjourned to October 28, 1966, at which time Lane completed his showing.

The operations and circumstances surrounding the transportation here involved are fully described in Decision No. 71258. It is not necessary to repeat it herein.

Sierra presented an exhibit showing costs and revenues on 14 truckloads transported to various destinations under the interim authority. The exhibit showed that Sierra had an average operating ratio of 86.4 percent on these shipments.

The accountant for Lane also presented an exhibit showing the costs and revenues on 13 shipments transported under the interim authority to Coca-Cola Company in San Francisco. The exhibit showed that Lane had an operating ratio of 85.4 percent on these shipments.

The evidence adduced at the further hearing clearly shows, and the Commission finds, that operations conducted under the sought rates will be compensatory for both applicants. We also find that the sought less than minimum rates are reasonable.

We conclude that the applications should be granted. As conditions may change, the authorities will be made to expire December 31, 1967, unless sooner canceled, changed or extended by order of the Commission.

O R D E R

IT IS ORDERED that:

1. Sierra Distributing, Ltd., a corporation, is authorized to depart from the minimum rates set forth in Minimum Rate Tariff No. 2, by charging rates three cents less than the Class C rates, for the transportation of sugar, in packages, minimum weight 40,000 pounds, transported from the California and Hawaiian Sugar Corporation Refinery, at Crockett, to points not over 350 constructive miles from Crockett, when shipper loads without expense to carrier, and subject to conditions and limitations set forth in Appendix A attached hereto and by this reference made a part hereof.

2. John T. Lane, doing business as Lane Drayage, is authorized to depart from the minimum rates set forth in Minimum Rate Tariff No 2, by charging a rate three cents less than the Class C rate, for the transportation of sugar, in packages, minimum weight 40,000 pounds, transported from the California and Hawaiian Sugar Corporation Refinery, at Crockett, to the Coca-Cola Company, San Francisco, when shipper loads without expense to carrier, and subject to conditions and limitations set forth in Appendix B attached hereto and by this reference made a part hereof.

3. The authorities granted herein will expire December 31, 1967, unless sooner canceled, changed or extended.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 29th day of NOVEMBER, 1966.

President

Frederick B. Whitsett

William G. Bennett

Angela

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

I concur in the result.

George G. Grover

APPENDIX A
Page 1 of 2

Carrier: Sierra Distributing, Ltd.

Shipper: California and Hawaiian Sugar Corp.

Commodity: Sugar, in packages
Minimum weight 40,000 pounds

Conditions: Subject to Notes 1 and 2, below

Note 1: Rates named are subject to the Central Coastal Territory surcharges named in Supplement No. 66 to Minimum Rate Tariff No. 2, where applicable, also all other applicable provisions shown in Minimum Rate Tariff No. 2 will apply except that Items Nos. 200 to 240 will not apply.

Note 2: When palletized shipments of sugar are transported under rates named herein, the empty pallets, platforms or skids may be transported to the point of origin of the palletized shipment without charge subject to the following terms and conditions:

- (1) Shipment must be loaded into carrier's equipment by the consignor and/or unloaded by the consignee with power equipment, furnished and used without expense to the carrier and when no services are performed at carrier's expense or by carrier personnel.
- (2) Shipper must indicate the number of pallets and weight thereof on bill of lading covering the loaded movement, and must show reference to the Shipping Document and date of shipment of the inbound movement on the outbound Shipping Document.
- (3) Shipper must indicate on shipping documents that palletized shipments were loaded directly onto trailers by power-loading equipment operated by personnel furnished by shipper; and/or receivers must show on carrier's delivery receipt that shipments were removed by power-loading equipment operated by personnel furnished by receiver.

APPENDIX A
Page 2 of 2

- (4) Carrier will assess applicable tariff charges on empty pallets under the following conditions:
 - (a) If consignee immediately upon receipt of shipment fails to provide carrier with up to a like number of pallets, either for a return movement, or loaded for a beyond move by carrier, or
 - (b) for any empty pallets tendered in excess of the number of loaded pallets transported by carrier on said shipment.
- (5) The constructive mileage from point of origin to point of destination of the shipment shall not exceed 350 constructive miles.
- (6) For the purpose of this Item, empty pallets, platforms or skids shall be as described in Item No. 150370, Sub 1, or Items Nos. 150380, 150390, 150410 or Item No. 150430, Sub 2, of the GC; six inches or less in height or nested solid (as defined in Rule 5 of the GC), and of wood, metal or wood and metal construction.

End of Appendix A

APPENDIX B

Carrier: John T. Lane

Shipper: California and Hawaiian Sugar Corp.

Commodity: Sugar, in packages,
Minimum weight 40,000 pounds

Conditions: Subject to Notes 1 and 2, below

Note 1: Rates are subject to Central Coastal Territory Surcharges named in Supplement No. 66 to Minimum Rate Tariff No. 2. All other applicable provisions shown in Minimum Rate Tariff No. 2 will apply except that Items Nos. 200 to 240 will not apply.

Note 2: Empty pallets, returning, will be transported without charge.

End of Appendix B