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Decision No. 72036

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) THOMPSON BROS. FREIGHT FORWARDING ) CO., INC., a corporation, to depart ) from the rates, rules and regulations) of Minimum Rate Tariff No. 2, under ) the provisions of the Highway ) Carriers' Act. )

Application No. 49125 (Filed February 2, 1967)

ORIGINAL

## INTERIM OPINION AND ORDER

Applicant holds radial highway common carrier, highway contract carrier and city carrier permits. By this application, it seeks authority to assess rates 3 cents per 100 pounds less than the minimum rates for the transportation of sugar in packages, minimum weight 40,000 pounds, for California and Hawaiian Sugar Refining Corporation (C & H Sugar) from the shipper's refinery at Crockett to points within 350 constructive miles of Crockett.

Applicant states that the authority herein sought is currently held by Sierra Distributing, Ltd. (Sierra),<sup>1</sup> but that C & H Sugar has recently advised Sierra of the cancellation of their contract. According to applicant, the shipper has concluded negotiations with it whereby the transportation service heretofore performed by Sierra for said shipper will be provided by it should the sought authority be granted.

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<sup>&</sup>lt;sup>1</sup>See Decisions Nos. 71258 and 71614 dated September 6 and November 29, 1966, respectively, in Application No. 48166.

Applicant avers that it was incorporated in 1959 and is an affiliate of Thompson Bros., Inc., which has conducted operations in California for many years past as a highway common carrier and as a warehouseman. Applicant alleges that it has completed negotiations under which it will temporarily lease, coupled with an option to purchase, adequate equipment with which to perform the contemplated service and that it has made arrangements to employ adequate personnel (much of which is presently in the employ of Sierra) to provide service for the shipper which would be identical to that heretofore performed by Sierra.

According to the application, C & H Sugar has represented to applicant that the distribution of its products to its customers in northern California is substantially dependent upon the availability of a trucking service and that the departures from the minimum rates and rules heretofore authorized to Sierra are necessary in order to facilitate the distribution of its products with efficiency and dispatch. Applicant declares that the traffic involves substantial revenues and that it will be able to perform the service at the proposed rates with a reasonable profit.

Applicant requests interim authority in this matter in order that it may undertake to perform the transportation service as soon as possible and C & H Sugar may benefit therefrom without possible interruption of service.

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The certificate of service shows that a cony of the application was mailed to California Trucking Association on February 2 1967. The application was listed on the Commission's Daily Calendar of February 6, 1967. No objection to the granting of the application has boon received.

Subject to further review upon consideration of evidence which may be adduced at a public hearing, it appears, and the Commission finds that the rates sought herein are reasonable for the transportation to be performed by Thompson Bros. Freight Forwarding Co., Inc. In view of the existing conditions, the Commission concludes that Thompson Bros. Freight Forwarding Co., Inc., should be granted interim authority to the extent hereinafter indicated for a period of six months. A future hearing will be scheduled in this proceeding.

IT IS ORDERED that:

1. Thompson Bros. Freight Forwarding Co., Inc., a corporation, is authorized to depart from the minimum rates set forth in Minimum Rate Tariff No. 2, by charging rates three cents per 100 pounds less than the Class C rates for the transportation of sugar, in packages, minimum weight 40,000 pounds per shipment, from California and Hawaiian Sugar Refining Corporation at Crockett to points not over 350 constructive miles from Crockett when shipper loads without expense to carrier, subject to conditions and limitations set forth in Appendix A attached hereto and by this reference made a part hereof.

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2. The authority granted herein shall expire six months after the effective date of this order.

3. A public hearing shall be scheduled in this proceeding for the receipt of evidence on this application.

This order shall become effective on the date hereof. Dated at San Francisco, California, this \_\_\_\_\_\_ day of

February, 1967.

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APPENDIX A TO DECISION NO. 72036

Carrier: Thompson Bros. Freight Forwarding Co., Inc.

Shipper: California and Hawaiian Sugar Refining Corp.

<u>Commodity</u>: Sugar, in packages Minimum weight 40,000 pounds per shipment

Conditions: Subject to Notes 1, 2 and 3

- 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.

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- (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 powerloading equipment operated by personnel furnished by receiver.
- (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 authority, empty pallets, platforms or skids shall be as described in Item No. 150370 (Sub 1),150380, 150390 (Sub 2) or 150430 (Sub 2), of National Motor Freight Classification A-9; six inches or less in height or nested solid (as defined in Rule 110 of said classification), and of wood, metal or wood and metal construction.
- Note 3: The rates herein authorized shall not be applicable to any transportation Thompson Bros., Inc., is authorized to perform as a certificated highway common carrier.

(End of Appendix A)