

ORIGINALDecision No. 72818

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 regula-
 tions of Minimum Rate Tariff No. 2,
 under the provisions of the Highway
 Carriers' Act. }

Application No. 49125
 Filed February 2, 1967

Frank Loughran, for applicant.
R. C. Broberg, H. F. Kollmyer and Arlo D.
 Poe, for California Trucking Associa-
 tion; Asa Button, for Spreckels Sugar
 Co.; and W. R. Donovan, for C & H Sugar,
 interested parties.
Robert W. Stitch and John W. Henderson,
 for the Commission staff.

O P I N I O N

Thompson Bros. Freight Forwarding Co., Inc., conducts operations pursuant to radial highway common carrier, highway contract carrier and city carrier permits. Applicant is an affiliate of Thompson Bros. Inc., which has conducted operations in California for many years as a highway common carrier and as a warehouseman.

Authority is sought to transport sugar in packages from the refinery of California and Hawaiian Sugar Refining Corporation, hereinafter referred to as C & H, located at Crockett, to points within 350 constructive miles of Crockett, at rates 3 cents less than the Class C rates set forth in Minimum Rate Tariff No. 2.

Public hearing was held before Examiner O'Leary on June 2 and 9, 1967, at San Francisco. The matter was submitted on the latter date. Copies of the application and notice of hearing were served in accordance with the Commission's procedural rules. There are no protests.

By interim order in Decision No. 72036, dated February 15, 1967, applicant was authorized to transport shipments of sugar, in packages, at 3 cents per 100 pounds less than the Class C rates from C & H at Crockett to points located within 350 miles of Crockett, subject to conditions and limitations set forth in Appendix A of Decision No. 72036. The interim authority is scheduled to expire August 15, 1967.

Applicant's general manager presented evidence that shipments moving under the sought rates are loaded by C & H employees with no assistance from personnel of the carrier. The carrier maintains a crew of hostlers and two tractors at C & H to shuttle trailers to and from the loading dock. In addition to performing the shuttle operation, the hostling crew provides a similar service for other carriers and loads equipment of other carriers by hand. Applicant bills the other carriers for the services performed. The witness testified that the cost to load a 40,000-pound shipment, by hand, is in excess of 5 cents per 100 pounds.

Evidence was also presented, in the form of an exhibit, by applicant's general manager concerning revenues and costs under the sought authority. The data contained in the exhibit was based upon applicant's actual operations under the interim authority during March 1967. The cost of labor was increased to reflect the costs applicant would have incurred effective April 1, 1967.

The evidence adduced discloses that the transportation at the proposed rates will result in an operating ratio of 90.82 percent.

The Commission finds that:

1. The proposed rate will be compensatory.
2. The proposed rate is reasonable and justified.

The Commission concludes that the sought relief should be granted. As conditions may change the authority granted herein will be made to expire August 15, 1968, unless sooner canceled, changed, or extended by order of the Commission.

O R D E R

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 3 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.

2. The authority granted herein will expire August 15, 1968, unless sooner canceled, changed, or extended by order of the Commission.

The effective date of this order shall be August 15, 1967.

Dated at San Francisco, California, this 25th day of JULY, 1967.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

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

Shipper: California and Hawaiian Sugar Refining Corp., Crockett.

Commodity: 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 241 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 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.

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- (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)