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ORIGINAL

Decision No. 81730

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of TRANS-VALLEY TRANSPORT, INC.,
a corporation, for authority to
depart from rates, rules and
regulations of Minimum Rate
Tariff 2 under the provisions of
the Highway Carrier's Act, on
transportation for Spreckels
Sugar Division, Amstar Corpora-
tion.

Application No. 53649
(Filed October 18, 1972)

Don Triolo and Ed Victorine, for applicant.
Asa Button, for Spreckels Sugar Division -
Amstar Corporation, Arthur D. Maruna,
H. Hughes; and A. D. Poe, Attorney at
Law, for California Trucking Association,
interested parties.
John F. Specht and J. L. Glovka, for the
Commission staff.

O P I N I O N

By this application, Trans-Valley Transport, Inc. seeks authority to assess rates 5 cents per 100 pounds less than the minimum rates for the transportation of sugar in packages, on shipments weighing 10,000 pounds or more, for Spreckels Sugar Division, Amstar Corporation, from Spreckels to points in California and to return empty pallets to the shipper without charge. The authority was granted on an interim basis to expire June 12, 1973 by Decision No. 80814 dated December 12, 1972. The decision provided that the application would be set for public hearing for the receipt of evidence prior to the expiration date.

Public hearing was held before Examiner Mooney in San Francisco on May 17 and July 2, 1973. It was submitted on the latter date. In order to avoid any lapse of the interim authority

prior to the issuance of a final order in this matter, the authority was extended to September 12, 1973 by Decision No. 81476 dated June 12, 1973.

Following is a summary of the evidence presented by applicant: Included in the costs on which the rates in Minimum Rate Tariff 2 are based is the cost of loading by the carrier. Under the proposal, all loading would be performed by the shipper either with its power equipment or when trailers are left with it for loading. In either instance, there would be no service performed by the carrier or expense to it. The savings in loading costs to applicant would exceed the 5-cent allowance to the shipper. This arrangement results in a more efficient use of applicant's equipment. Applicant is located approximately six miles from the shipper's plant. Empty trailers are dropped off with the shipper and loaded trailers are picked up at the same time for delivery.

According to the evidence, 37 percent of the transportation performed under the interim authority was handled by subhaulers. To eliminate an objection by the California Trucking Association (CTA) regarding the use of subhaulers in connection with the transportation in issue, applicant's late-filed Exhibit 2 amends the sought authority to provide that when subhaulers are used, payment to them will be based on the applicable minimum rates without the allowance. On the basis of this amendment, CTA has informed the Commission by letter dated June 29, 1973 that it has no objection to the sought authority.

Findings

1. The type of service which applicant will perform under the proposal herein is different from that contemplated by the minimum rate orders.
2. Operations under the proposed allowance and governing rules, as amended by late-filed Exhibit 2, may reasonably be expected to be profitable during the forthcoming year.
3. The proposed rates and governing rules, as amended by late-filed Exhibit 2, are reasonable.

Conclusions

1. The application, as amended by late-filed Exhibit 2, should be granted.
2. Because the conditions under which the transportation is to be performed may change, the authority to be granted should be limited to a period of one year unless sooner canceled, modified, or extended by order of the Commission.
3. The order which follows should be made effective on September 12, 1973, the expiration date of the interim authority.

O R D E R


IT IS ORDERED that:


1. Trans-Valley Transport, Inc., a corporation, is authorized to depart from the minimum rates and rules set forth in Minimum Rate Tariff 2 for the transportation of sugar, in packages, from Spreckels to points in California as more specifically set forth in Appendix A attached hereto and by this reference made a part hereof.


2. The authority hereinabove granted shall expire one year after the effective date of this order unless sooner canceled, modified, or extended by order of the Commission.

The effective date of this order shall be September 12, 1973.

Dated at San Francisco, California, this 14th day
of AUGUST, 1973.



President




Commissioner William J. Holmes, Jr., being necessarily absent, did not participate in the disposition of this proceeding.
Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

CARRIER: TRANS-VALLEY TRANSPORT, INC.

SHIPPER: SPRECKELS SUGAR DIVISION OF AMSTAR CORPORATION.

COMMODITY: Sugar, in packages.

FROM: Spreckels, California.

TO: Points in California.

RATES: Rates named in Minimum Rate Tariff 2 applicable on shipments of sugar weighing 10,000 pounds or more, less an allowance of 5 cents per 100 pounds when shipments are loaded by shipper without expense to carrier under one of the following circumstances:

- (a) By the consignor with power equipment furnished and used without expense to the carrier and when no services are performed at carrier expense or by carrier personnel.
- (b) By the consignor when the carrier's equipment is a trailer or semitrailer left for loading without the presence of carrier's employees.

Note 1: When palletized shipments of sugar are transported under rates named herein, the empty pallets shall be returned free.

Note 2: All other applicable provisions of Minimum Rate Tariff 2 shall apply except that Items 200 and 241 shall not apply.

Note 3: On any shipment where a subhauler is used to provide the services covered by this item, subhaulers will be compensated on the basis of the applicable minimum rate without the allowance provided herein. No deduction from subhauler revenues greater than that ordinarily applicable to carrier's regular subhauling arrangements shall be made.