

Decision No. 88368 JAN 17 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
GARY SCANNAVINO, dba CHEROKEE)
FREIGHT LINES)
for Authority to Depart from the)
Provisions of MRT 2 in connec-)
tion with the transportation of)
granulated sugar, in bins having)
a capacity of not less than 40)
cubic feet, from Manteca and)
Mendota to Modesto, California.)

Application No. 57663
(Filed November 1, 1977)

OPINION AND ORDER

By this application, Gary Scannavino, doing business as Cherokee Freight Lines (Cherokee), requests authority to deviate from the provisions of Minimum Rate Tariff 2 (MRT 2) in connection with the transportation of granulated sugar, in bins having a capacity of not less than 40 cubic feet from Spreckels Sugar Division, Amstar Corporation (Spreckels) at Manteca and Mendota to the plant site of General Foods Corporation near Modesto.¹

According to applicant, transportation will be performed on carrier's flatbed trailers with the bins on the trailer.

Applicant states that it has been serving the involved shipper for a number of years; that it is familiar with the transportation requirements of Spreckels and its customers; that Cherokee will utilize its own tractors, trailers and personnel; and that subhaulers will not be utilized.

¹The present minimum rates and the proposed rates, in cents per 100 pounds, for a 50,000 pound shipment of granulated sugar from the following points to Modesto are:

	<u>Present Rates</u>			<u>Proposed Rates</u>
Manteca	(1) 29	(2) 44	(3) 26	26
Mendota	(1) 44	(2) 65	(3) 56	56

- (1) Rates in Item 293.4 (Truckload Efficiency) sugar in bins.
- (2) Class rates in Item 508.3 sugar in packages, or bins.
- (3) Commodity rates in Item 745, in bulk, not in bins.

The applicant avers that the rates for transportation of granulated sugar in bulk provided for in MRT 2 do not apply to sugar in bulk in bins; that the rates to be used are identical to the rates presently in effect in Items 745 and 746 of MRT 2 for shipments in bulk in carrier's equipment; that the transportation characteristics for the movement of granulated sugar in bulk are virtually the same as for the same commodity transported in bins; that the loading and unloading characteristics from the carrier's standpoint are substantially the same; that the Commission has allowed that the transportation characteristics are virtually the same for bulk or bins as demonstrated by Items 293.2 and 293.4 of MRT 2 (Premium Volume Incentive Service Rates and Truckload Efficiency Service Rates) in which shipments in bins and shipments in bulk have the same rate application; and that a flatbed trailer is significantly less expensive than a bulk sugar trailer.

The application was listed on the Commission's Daily Calendar of November 2, 1977. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that applicant's proposal is reasonable. A public hearing is not necessary. The Commission concludes that the application should be granted as set forth in the ensuing order and the effective date of this order should be the date hereof because there is an immediate need for this rate relief.

IT IS ORDERED that:

1. Gary Scannavino is authorized to perform the transportation shown in Appendix A attached hereto and by this reference made a part hereof at not less than the rates set forth therein.
2. The authority granted herein shall expire one year after the effective date of this order unless sooner cancelled, modified or extended by further order of the Commission.

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The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17th day of

JANUARY, 1978.

I dissent
William Synow Jr.

President

Vernon L. Sturgeon

Robert W. Gault

Clare F. DePaul
Commissioners

Commissioner Robert Batnovich, being
necessarily absent, did not participate
in the disposition of this proceeding.

APPENDIX A

Carrier: Gary Scannavino, dba Cherokee Freight Lines.
Commodity: Granulated sugar, in bins having a capacity of not less than 40 cubic feet.
For: Spreckels Sugar Division, Amstar Corporation.
To: General Foods Corporation near Modesto.

Rates in Cents per 100 Pounds

From:	Manteca	26
	Mendota	56

Minimum
Weight: 50,000 pounds.

Conditions:

1. Transportation will be performed by carrier using carrier's tractor, trailer and driver, with Spreckels Sugar furnishing the bins.
2. Empty bins will be returned to shipper at no additional charge.
3. The weight of the bin(s) will be included in the weight for computing the transportation charges.
4. Applicant has indicated that subhaulers will not be engaged. Therefore, if subhaulers are employed, they shall be paid no less than the rates authorized herein without any deduction for use of applicant's trailing equipment.
5. In all other respects the rates and rules in Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)