

Decision No. 88448 JAN 31 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Sunrise Transpor-)
 tation, Inc. for Authority Under)
 the Provisions of Section 3666 of)
 the Public Utilities Code, to)
 Deviate from the Minimum Rates in)
 Minimum Rate Tariff No. 2 Appli-)
 cable to the Transportation of)
 Granulated Sugar for Amstar Cor-)
 poration, Spreckels Sugar Divi-)
 sion from Manteca and Spreckels)
 to Los Angeles.)

Application No. 57745
 (Filed December 16, 1977)
 (Amended January 9, 1978)

OPINION AND ORDER

By this application, Sunrise Transportation, Inc., a corporation, requests authority to deviate from the provisions of Minimum Rate Tariff 2 in connection with the transportation of granulated sugar in bulk for Amstar Corporation from its plants at Manteca and Spreckels to its distribution depots located in Los Angeles.¹

By Decision No. 88044 dated October 25, 1977, applicant was granted authority to deviate from the provisions of Minimum Rate Tariff 2 in connection with the transportation of granulated sugar in bulk for Amstar Corporation from Mendota to Los Angeles.

Applicant presently transports the involved commodity for said shipper assessing a rail rate pursuant to the alternative application provisions in Minimum Rate Tariff 2. The rail rate is obtained from Item 11179 of PSFB 300-B, subject to a minimum weight of 170,000 pounds at 75 cents per 100 pounds.

Applicant contends that the proposal submitted herein will produce economies in its operations by eliminating inefficiencies resulting from the necessity of adhering to the rules pertaining

¹ The present minimum and proposed rates in cents per 100 pounds for representative 52,000-pound shipments of granulated sugar in bulk to Los Angeles are:

<u>From</u>	<u>Present Minimum Rates</u>	<u>Proposed Rates</u>
Manteca	159	75
Spreckels	149	75

to alternative application when using common carrier rates. Specifically, it refers to the 24-hour time limit for pickup, as required by Item 85 of Minimum Rate Tariff 2. This schedule renders the arrival of applicant's equipment in the Los Angeles area during the morning commute hours, causing a loss of one to two hours due to traffic congestion. The granting of the sought authority would allow applicant to load its equipment in the evening and to dispatch it immediately thereafter so that it could arrive in the Los Angeles area before 6:30 a.m. the following morning. Applicant has shown how the involved traffic fits in with its other operations to reduce empty miles.

The application was listed on the Commission's Daily Calendar of December 19, 1977. California Trucking Association (CTA) opposed the ex parte handling of the application stating that applicant's costs appear to be understated or incomplete because they do not include trailer cleaning costs which are typically required in backhaul movements of the involved commodity. Moreover, recent payroll tax changes for 1977 are not shown.

Applicant responded by amendment to the application showing that the cleaning equipment located at each origin plant is owned and operated by the Spreckels Division, and cleaning is provided by the shipper at no cost to the carrier. Applicant has submitted a revised statement showing cost data brought up to the level existing on January 1, 1978.

Revenue and expense data submitted by applicant indicate that the transportation involved may reasonably be expected to be profitable under the proposed rate.

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. Sunrise Transportation, Inc. 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.

The effective date of this order is the date hereof.

Dated at San Diego, California, this 31st
day of JANUARY, 1978.

Robert Buttrick
President
William J. Moore Jr.

Michael D. Greville
Clare T. Delich
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

Carrier: Sunrise Transportation, Inc.

Shipper: Amstar Corporation, Spreckels Sugar Division

Origins: Amstar Corporation, Spreckels Sugar Division Plants at Manteca and Spreckels.

Destination: Amstar Corporation, Spreckels Sugar Division Distribution Depot located at Washington and Long Beach Boulevards, Los Angeles.

Commodity: Granulated sugar in bulk.

Rate in Cents Per 100 Pounds: 75

Minimum Weight: 52,000 pounds per unit of carrier's equipment consisting of a tractor and two hopper-type trailers.

Conditions:

1. Applies only in connection with straight shipments of the aforementioned commodity in bulk, in hopper-type equipment, gravity and conveyor loaded by shipper and gravity unloaded by consignee.
2. Applicant has not indicated that subhaulers will be engaged nor have any costs of subhaulers been submitted. Therefore, if subhaulers are employed they shall be paid not less than the rates authorized herein without any deduction for use of applicant's trailing equipment.
3. In all other respects the rates and rules in Minimum Rate Tariff 2 shall apply, except that surcharge provisions shall not apply.

(END OF APPENDIX A)