

Decision No. 65596

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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| In the Matter of the Application of:) | |
| JOHN T. CHALKE, an individual, for) | |
| authority to depart from minimum) | Application No. 45408 |
| rates, pursuant to Sections 3666 and) | (Filed May 6, 1963) |
| 4015 of the Public Utilities Code.) | |

OPINION AND ORDER

Applicant holds highway contract and city carrier permits. By Decision No. 63782 dated June 4, 1962, in Application No. 44367, he was authorized to depart from the provisions of the minimum rate tariffs in connection with certain transportation performed for The Great Atlantic & Pacific Tea Company from that company's Los Angeles warehouse to its retail stores in southern California. This authority permits a deviation from the requirement that each article in a shipment be classified separately for rating purposes, and permits the observance of designated bases for related services other than those which ordinarily would apply under the governing minimum rate tariffs. The authority is scheduled to expire June 25, 1963. By this application, applicant seeks an extension of the current authority for a further one-year period.

According to the application, the conditions prevailing at the time of the original application continue to exist. Checks made of shipments transported since the issuance of Decision No. 63782, supra, disclose that the transportation now performed is in substantial identity with the classifications set forth in the current authority. Furthermore, a sampling at the present time would disclose but slight variations from the percentages as authorized in the aforesaid decision inasmuch as the nature of the commodities varies slightly from year to year. A large volume of groceries,

produce and related articles continues to be tendered and such commodities are of a type which may be handled rapidly and efficiently. Also, increasingly in the ensuing year, a high volume of desirable traffic will be tendered to applicant for transportation.

Applicant alleges that the desirable character of this traffic offsets the slight increases of costs of operation which have been encountered or are likely to be encountered during the ensuing year.¹ He states that the operations have been profitable during the past year and will continue to be profitable during the forthcoming year. Financial statements attached to the application, marked Exhibit A and made a part thereof, substantiate the fact that applicant's past operations have been profitable.

Applicant avers that the authority is as urgent and necessary today as it was at the time of the original application. Also its continuation is necessary and essential in order to preserve the long standing transportation arrangements between the applicant and his shipper and to preserve the traffic on a for-hire basis.

The application shows that a copy thereof was served on the shipper and the California Trucking Association on or about May 3, 1963. No objection to its being granted has been received.

In the circumstances, it appears, and the Commission finds, that the proposed bases of rating and charges are reasonable and consistent with the public interest. The application will be granted. A public hearing is not necessary.

In view of the expiration date of the current authority, the order which follows will be made effective on June 25, 1963.

Good cause appearing,

¹ The Commission's minimum rates are factors in the bases used by applicant to determine the transportation charges involved and thus increase concurrently with the minimum rates otherwise applicable.

IT IS ORDERED that:

1. John T. Chalke is hereby authorized to depart from the provisions of the minimum rate orders otherwise applicable to the transportation services which he performs for The Great Atlantic & Pacific Tea Company to the extent specifically provided in Appendix A which is attached hereto and by this reference made a part hereof.

2. The authority herein granted shall, on and after June 25, 1963, supersede the authority granted by Decision No. 63782, and shall expire with June 25, 1964.

The effective date of this order shall be June 25, 1963.

Dated at San Francisco, California, this 18th day of June, 1963.

George T. Hoover
President

Robert L. Mitchell

Robert L. Regan

Frederick B. Holbrook

William M. Burdett
Commissioners

APPENDIX A TO DECISION NO. 65596

The authority herein granted applies only in connection with property transported by John T. Chalke (hereinafter called "the carrier") for The Great Atlantic & Pacific Tea Company (hereinafter called "the shipper") between points in the southern California area south or southerly of, and including, the cities of Santa Barbara and Taft.

Section I

The authority granted in this section applies only to shipments of property which originate at shipper's warehouse located at 4510 South Boyle Avenue, Los Angeles, and which are delivered to shipper's retail stores in the southern California area as above described.

Item 1. The carrier is authorized to classify, for rate purposes, shipments of property (see Note) which are subject to the provisions of this Section as follows:

(a) Shipments subject to a minimum weight of 20,000 pounds:

| <u>Percent of total weight of shipment</u> | <u>Rate as</u> |
|--|--------------------|
| .011 | 150% of 1st class |
| .144 | 110% of 1st class |
| 9.437 | 1st class |
| 13.288 | 2nd class |
| 6.770 | 3rd class |
| 69.108 | 4th class |
| 1.242 | 90% of 4th class |

(b) Shipments subject to a minimum weight of less than 20,000 pounds:

Rate as third class.

Note: The term "property" as used in this item means those articles of merchandise and store supplies listed in Exhibit No. 1 in Application No. 34192 and merchandise and store supplies of similar nature or purpose.

Item 2. The carrier is authorized to assess and collect charges for the transportation of property classified in accordance with the provisions of Item 1 above on the basis of composite rates, representing the percentage distributions shown therein.

- Item 3. In connection with the computation and collection of charges for a shipment transported in split-delivery service, the carrier is authorized to apply the additional charges provided in Item No. 170 of Minimum Rate Tariff No. 2 and in Item No. 180 of Minimum Rate Tariff No. 8 on the basis of the average weight, instead of the actual weights, of several component parts of the shipment.

Section II

- Item 1. The carrier is authorized to use, in lieu of other shipping documents, the forms of documents submitted as part of Exhibit No. 3 in Application No. 31378, provided that:
- (a) The documents shall contain all of the information necessary for an accurate determination of the applicable rates and charges; and
 - (b) The documents covering each shipment, if separated, shall be cross-referenced and filed in a manner permitting ready assembly.

The term "groceries" may be used to identify collectively, in the shipping documents herein authorized, the various articles of merchandise and other property which are classified in accordance with the provisions of Item 1, Section I, above.

(End of Appendix A)