

Decision No. 65686**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into the rates, rules, regulations, charges, allowances and practices of all common carriers, highway carriers, and city carriers, relating to the transportation of property in the City and County of San Francisco, and the Counties of Alameda, Contra Costa, Lake, Marin, Mendocino, Monterey, Napa, San Benito, San Mateo, Santa Clara, Santa Cruz, Solano and Sonoma.

Case No. 5441
(Petition for
Modification No. 67)

In the Matter of the Application of DELIVERY SERVICE COMPANY for authority to establish certain increased rates applicable to Wholesale Service between points within the East Bay Drayage Area and points in Alameda, Contra Costa and Solano Counties, and to Wholesale and Retail Service between points within the East Bay Drayage Area and El Cerrito.

Application No. 45075

Philip A. Winter, for Delivery Service Company, petitioner and applicant.

R. D. Toll, A. D. Poe and J. K. Quintrall, for California Trucking Association, Inc., interested party.

E. A. Mohr and C. L. Griggs, for the Commission staff.

O P I N I O N

By the above-entitled petition and application, filed January 3, 1963, Delivery Service Company seeks increases of approximately five percent in the retail and wholesale parcel delivery

rates named in its common carrier tariffs and in the wholesale parcel delivery rates named in Item No. 990 of City Carriers' Tariff No. 2A - Highway Carriers' Tariff No. 1-A.

Public hearing was held at San Francisco on February 28, 1963, before Examiner Turpen. No one protested the granting of the petition or of the application.

The present minimum rates in Item No. 990 of the minimum rate tariff became effective July 14, 1962, and applicant's present common carrier rates became effective June 16, 1962. Both of these increases were pursuant to Decision No. 63754, dated May 28, 1962, in Case No. 5441, Petition No. 56, and Application No. 44112. In prior proceedings the Commission has found that the minimum rates named in said Item No. 990 should be predicated upon the operations of Delivery Service Company. The present record shows that this condition has not changed.

The record shows that since the effective date of the present rates, the costs of performing the transportation services to which said rates are applicable have increased substantially, including, but not limited to, an increase in labor costs amounting to 64 cents per day per driver. Operating statements show that during the period January 1, 1962 to November 3, 1962, applicant had revenues of \$399,748, and expenses of \$402,068, resulting in a net operating loss of \$2,320. Another statement covering the period from June 16, 1962 to November 3, 1962, expanded to reflect current costs and increased revenues under the increased rates here proposed shows the following results:

Operating Revenues	\$194,255
Operating Expenses	<u>185,376</u>
Net Profit	\$ 8,879
Operating Ratio:	
Before Taxes	95.43%
After Taxes	97.05%

Upon consideration of all the facts and circumstances, we find that the proposed increases are justified. The minimum rates in Item No. 990 were originally placed in City Carriers' Tariff No. 2-A - Highway Carriers' Tariff No. 1-A to reflect the service provided by Delivery Service Company. We find that Delivery Service Company is the rate-making carrier in the parcel delivery field for services for which rates are provided in Item No. 990. The minimum rates in this item should be adjusted to conform to the rates published by applicant. We find that the minimum rates which are prescribed in the order herein are the just, reasonable and nondiscriminatory minimum rates for the transportation services involved.

O R D E R

IT IS ORDERED that:

1. Delivery Service Company is hereby authorized to establish the increased rates set forth in Application No. 45075.

2. City Carriers' Tariff No. 2-A - Highway Carriers' Tariff No. 1-A (Appendix A of Decision No. 41362, as amended) is hereby further amended by incorporating therein, to become effective September 1, 1963, Thirteenth Revised Page 40, which page is attached hereto and by this reference made a part hereof.

3. Tariff publications required or authorized to be made by common carriers as a result of the order herein may be made effective not earlier than the tenth day after the effective date of this order, on not less than ten days' notice to the Commission and to the public; such tariff publications as are required shall be made effective not later than September 1, 1963; and as to tariff publications which are authorized but not required, the authority herein granted shall expire unless exercised within sixty days after the effective date hereof.

4. In all other respects, the aforementioned Decision No. 43162, as amended, shall remain in full force and effect.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 7th day of JULY, 1963.

William L. Arnold
President

Robert L. ...
Edward ...

George L. ...

Frederick B. Holshoff
Commissioners

Item No.	SECTION NO. 3 - COMMODITY RATES (Concluded) In cents per 100 pounds, except as noted	RATE
990	<p align="center">COMMODITY</p> <p>PARCEL CITY DELIVERY (Wholesale Only) (See Note 1)</p> <p>Within and between all zones, and applies on packages containing property, weighing not to exceed (1) 40 pounds per package, and only on deliveries from jobbers, wholesalers, industries and retail stores to other jobbers, wholesalers, industries and retail stores.</p> <p>1 to and including 100 packages per week ----- Over 100 " " " 400 " " " ----- " 400 " " " 800 " " " ----- " 800 packages per week -----</p> <p>(1) On all packages exceeding 40 pounds in weight, an additional charge of 3 cents per pound shall be made for each pound or fraction thereof in excess of 40 pounds.</p> <p>NOTE 1.-The above rates are subject to a service charge of 50 cents for each pickup stop made at consignor's place of business.</p> <p>NOTE 2.-The charge for collection and return of money on C.O.D. shipments will be 30 cents per shipment. (Exception to paragraph (d), Item No. 130.)</p>	<p align="center">RATE</p> <p>In Cents Per Package</p> <p>7 65 0 50 0 40 0 18 (See Note 2)</p>
	995	<p>PARCEL CITY DELIVERIES</p> <p>Within and between all zones, and applies on deliveries from manufacturers, manufacturers' agents, wholesalers, jobbers and commercial distributors. (See Notes 1 and 2.)</p> <p>Weight per package, 70 pounds or less -----</p> <p>NOTE 1.-The consignor must elect in writing in advance to utilize the rate in this item for all packages weighing 70 pounds or less tendered to the carrier during any calendar week.</p> <p>NOTE 2.-All charges must be prepaid.</p> <p>NOTE 3.-An additional charge of 30 cents shall be assessed for each C.O.D. collected.</p>
<p>Change } Decision No. 65686 Increase }</p>		
<p align="center">EFFECTIVE SEPTEMBER 1, 1963</p>		
<p align="center">Issued by the Public Utilities Commission of the State of California, San Francisco, California.</p> <p>Correction No. 301</p>		