

ORIGINAL

Decision No. 67619

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 any and)
all commodities between and within)
all points and places in the State)
of California (including, but not)
limited to, transportation for)
which rates are provided in)
Minimum Rate Tariff No. 2).)

Case No. 5432
(Petition for Modification
No. 332)
(Filed April 13, 1964)
(Amendment filed July 8, 1964)

OPINION AND ORDER

Carl Ralph Waddell holds a highway contract carrier permit. By this petition, as amended, he seeks exemption from the established minimum rates in connection with the transportation of shipments of wholesale drug supplies weighing 75 pounds or less between Sacramento and various points in northern California.¹

In addition to transporting the Sacramento Bee, a daily newspaper published in Sacramento, petitioner transports small shipments of wholesale drug supplies to various drug stores along his route as an emergency service for Western Drug Supply, McKesson-Robbins, Inc., and Brunswig Drug Company, wholesale drug supply businesses located in Sacramento. The commodities transported are wholesale drug supplies consisting principally of pharmaceutical supplies.

Petitioner avers that much of the drug supply, because of its chemical nature, cannot remain out of refrigerated storage for more than a few hours without losing either its potency or effectiveness and such commodities require fast delivery service within the one day category. He has heretofore rendered and remains ready to continue

1

These points are on U.S. Highway 50 and include Rancho Cordova, Shingle Springs, Placerville, Camino, Pollock Pines, Tahoe Valley, Al Tahoe, Bijou and Stateline.

C. 5432 (Pet. 332) - dd

to render such service. Assertedly, it is not economically feasible for the retail drug outlets to maintain large quantities of drug supplies as most of the small drug outlets are not capable of sustaining the required monetary investment.

Petitioner alleges that the service provided for the wholesale drug distributors, as well as the community drug outlets, prior to the rate schedule changes promulgated by Decision No. 66453 was satisfactory to all concerned. He further alleges that the rate schedule changes have made it economically impractical for the wholesale drug distributors to continue to use his service and said shippers have either terminated their contracts with him or have threatened to do so.

A copy of the verified petition, and amendment thereto, was mailed to California Trucking Association on or about March 25 and July 8, 1964, respectively. No objection to its being granted has been received.

In the circumstances, it appears, and the Commission finds, that petitioner's operation is of a specialized nature differing substantially from those for which the established minimum rates were primarily designed and that the proposed charges are reasonable for the transportation service involved. A public hearing is not necessary. The petition, as amended, will be granted.

IT IS ORDERED that Carl Ralph Waddell is hereby authorized to transport shipments of wholesale drug supplies, each weighing 75 pounds or less, for Western Drug Supply, McKesson-Robbins, Inc., and Brunswick Drug Company between Sacramento and Rancho Cordova, Shingle Springs, Placerville, Camino, Pollock Pines, Tahoe Valley, Al Tahoe,

Bijou and Stateline over U.S. Highway 50, at charges per shipment less than the established minimum charges per shipment but not less than the following:

Weight of Shipment (In Pounds)		Minimum Charge (In Cents)
Over	But Not Over	
0	25	150
25	50	200
50	75	250

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 22nd day of July, 1964.

Frederick B. Holbrook
President

John E. Butcher

Corell W. King

George F. Grover

William L. Bennett
Commissioners