## Decision No. <u>69627</u>

## ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) SIERRA DISTRIBUTING, LTD., a corpor- ) ation, to depart from the rates, ) Application No. 47744 rules, and regulations of Minimum ) (Filed July 15, 1965) Rate Tariff No. 2, under the provisions) (Amended August 12, 1965) of the Highway Carriers' Act. )

## OPINION AND ORDER

Sierra Distributing, Ltd., holds radial highway common carrier, highway contract carrier and city carrier permits. By Decision No. 67730 dated August 18, 1964, in Application No. 46308, applicant was authorized to assess charges on a basis different than the established minimum rates; and by Decision No. 67907 dated September 22, 1964, in Application No. 46920, it was authorized relief from the provisions of General Order No. 84-E (now 84-F) to make collect on delivery (C.O.D.) shipments part of split delivery shipments. These authorities are applicable in connection with the transportation of property for Procter & Gamble Distributing Company (Procter & Gamble) from that shipper's plant at Sacramento to various points in California north of a line running easterly-westerly through King City and Fresno. They are scheduled to expire with September 7, 1965.

By this application, applicant seeks a continuation of the current authorities for a further one-year period. The authorities permit applicant to (1) make C.O.D. shipments part of split delivery shipments, (2) be relieved from applying the two-mile additive when split delivery service is performed at more than one point in the same metropolitan zone, incorporated city, extended area or community, and (3) assess a charge of 25 cents per 100 pounds for split delivery

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service in lieu of the charges otherwise applicable. Applicant asserts that, by reason of increased costs of providing service in connection with split delivery shipments, it has agreed with Procter & Gamble to increase the latter charge to 28 cents per 100 pounds.<sup>1</sup>

Applicant alleges that all of the transportation conditions set forth in its prior applications, which resulted in the original establishment of the aforementioned authorities, have continued to exist and exist at the present time.

Based upon its experience in the performance of services under these authorities, applicant avers it is satisfied that the charge for split delivery services proposed herein is and will be compensatory for the forthcoming year. Revenue and expense data furnished by applicant indicate that the transportation involved has been profitable and reasonably may be expected to be profitable for the ensuing year.

The application and amendment were listed on the Commission's Daily Calendar of July 16 and August 13, 1965, respectively. The certificate of service shows that a copy of the application and amendment were mailed to California Trucking Association on July 14 and August 12, 1965, respectively. No objection to the granting of the application, as amended, has been received.

In the circumstances, it appears, and the Commission finds, that the proposed charge and other conditions are reasonable for the transportation services involved. A public hearing is not necessary. The application, as amended, should be granted.

No authority for the increase is required from this Commission, inasmuch as applicant is a permitted carrier for which only minimum rates have been established. Authority for the use of the sought charge after September 7, 1965, is required, however, inasmuch as it will be on a basis different from that prescribed in the minimum rate orders, and, in some instances, below the minimum charges otherwise applicable.

In view of the impending expiration date of the current authority, the order which follows will be made effective September 7, 1965.

IT IS ORDERED that:

1. Sierra Distributing, Ltd., is hereby authorized to assess a charge for split delivery services less than the minimum charges otherwise applicable and to depart from the provisions of the minimum rate orders otherwise applicable as more particularly set forth in Appendix A attached hereto and by this reference made a part hereof.

2. The authority herein granted shall on and after September 7, 1965, supersede the separate authorities granted by Decisions Nos. 67730 and 67907 and shall expire with September 7, 1966.

The effective date of this order shall be September 7, 1965.

Dated at San Francisco, California, this <u>3/37</u> day of August, 1965.

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President Commissioners

Commissioner Frederick B. Holoboff. being necessarily absent. did not participate in the disposition of this proceeding.

## APPENDIX A TO DECISION NO. 69627

The authority herein granted applies only in connection with property transported by Sierra Distributing, Ltd. (hereinafter called "the carrier") for the Procter & Gamble Distributing Company, from that company's plant at Sacramento to points in California north of a line running easterly-westerly through the Cities of King City and Fresno.

> 1. The carrier is authorized, in connection with split delivery shipments originating at Sacramento, to apply an additional charge of 28 cents per 100 pounds in lieu of the split delivery charge set forth in Item No. 171 of Minimum Rate Tariff No. 2. This charge shall be made in addition to the line haul rate.

> 2. The carrier is authorized, in connection with split delivery shipments originating at Sacramento, to not apply the EXCEPTION to subparagraph (a) of Item No. 170 of Minimum Rate Tariff No. 2.

3. The carrier is authorized to make collect on delivery (C.O.D.) shipments part of split delivery shipments when handled by it as a highway contract carrier, a city carrier, or a radial highway common carrier.

(End of Appendix A)