

ORIGINAL

Decision No. 72671

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 car-)
riers 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

And Related Matters.)

Cases Nos. 5435
and 5439)

SUPPLEMENTAL OPINION AND ORDER

City Carriers' Tariff No. 1-A and Minimum Rate Tariffs Nos. 1-B, 5 and 9-B, respectively set forth, among other things, minimum rates for the transportation of parcel delivery shipments by city carriers within the San Francisco Drayage Area and city and highway permit carriers within the East Bay, Los Angeles and San Diego Drayage Areas. These rates are based on a flat amount per package plus an amount per pound.¹ The above tariffs also provide for the assessment of an additional charge of 30 cents for collecting and remitting the amount of the C.O.D. bill when such shipments are accorded C.O.D. service.

The parcel delivery rates involved herein are what may be characterized as competitive rates in that they were established

¹ These rates are 19 cents per package plus 3 cents per pound or fraction thereof for transportation within the San Francisco and East Bay Drayage Areas and 18 cents per package plus 3 cents per pound or fraction thereof for transportation within the Los Angeles and San Diego Drayage Areas.

to meet the so-called "going rates" of United Parcel Service, Inc. (United Parcel). Historically, the parcel rates named in the local drayage tariffs have not been made subject to the usual adjustments in rates or rules typical of other tariff provisions but have been adjusted only when necessary to reflect prior authorized adjustments in the competitive rates of United Parcel.²

By Decision No. 72241 dated April 4, 1967, in Application No. 49009, United Parcel was authorized to revise the package factor of its parcel delivery rates by establishing a single charge of 24 cents per package in lieu of charges ranging from 18 to 37 cents per package depending upon the location of the shipper and the proportion of its deliveries to places of business. United Parcel was also authorized to increase its charge of 30 cents for each C.O.D. bill collected to 50 cents. No corresponding revisions have been made in the parcel delivery rates in the aforementioned Commission minimum rate tariffs and the long-standing rate relationship between United Parcel's parcel delivery rates and those of the city and highway permit carriers involved herein no longer exists.

In the circumstances, it appears, and the Commission finds, that the rate relationship in question should be re-established and that increases resulting from the tariff revisions involved are justified. A public hearing is not necessary. The necessary tariff amendments to City Carriers' Tariff No. 1-A will be made by the order herein. In order to avoid duplication of tariff distribution, the other minimum rate tariffs will be amended by separate orders.

² The basic justification for establishing parcel delivery rates in the Commission's minimum local drayage tariffs on a competitive basis with United Parcel is set forth in Decision No. 48269, in Cases Nos. 4084, 4108 and 4109 dated February 10, 1953.


IT IS ORDERED that:

1. City Carriers' Tariff No. 1-A (Appendix "A" of Decision No. 41363, as amended) is hereby further amended by incorporating therein, to become effective August 5, 1967, Third Revised Page 18-B and Twentieth Revised Page 40 attached hereto and by this reference made a part hereof.

2. In all other respects Decision No. 41363, as amended, shall remain in full force and effect.


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

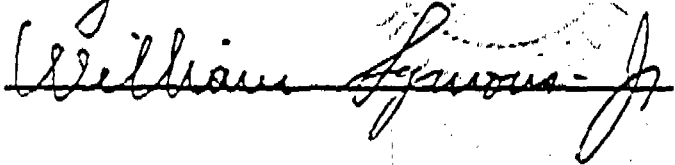
Dated at San Francisco, California, this 27th day of June, 1967.



President







Commissioners

Commissioner Fred P. Norrissey, being necessarily absent, did not participate in the disposition of this proceeding.

Item No.

SECTION NO. 1--RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)

COLLECT ON DELIVERY (C.O.D.) SHIPMENTS (Concluded)
(Items Nos. 110, 111 and 112)

10. If, in any particular case, exemption or deviation from any of the requirements herein is deemed necessary by the carrier concerned, the Commission will consider the application of such carrier for such exemption or deviation when accompanied by a full statement of the conditions existing and the reasons why such deviation is considered necessary.

11. A carrier not electing to undertake transportation of C.O.D. shipments shall be deemed to have given notice of such election by not filing the bond provided for herein for carriers handling such shipments.

12. The charges for collecting and remitting the amount of C.O.D. bills collected on C.O.D. shipments transported under the provisions of Item No. 425 shall be 050 cents for each C.O.D. without regard to the amount collected.

13. Except as otherwise provided, the charges for collecting and remitting the amount of C.O.D. bills collected on C.O.D. shipments shall be as follows:

When the amount collected is	Charge for collecting and remitting will be
Not over \$20.00	\$0.81
Over 20.00 not over \$25.00	0.85
Over 25.00 not over 40.00	0.98
Over 40.00 not over 50.00	1.06
Over 50.00 not over 60.00	1.32
Over 60.00 not over 80.00	1.38
Over 80.00 not over 100.00	1.44
Over 100.00 not over 102.50	1.78
Over 102.50 not over 105.00	1.84
Over 105.00 not over 110.00	1.91
Over 110.00 not over 120.00	1.96
Over 120.00 not over 140.00	2.04
Over 140.00 not over 150.00	2.09
Over 150.00 not over 160.00	2.24
Over 160.00 not over 180.00	2.29
Over 180.00 not over 200.00	2.32
Over 200.00 not over 250.00	2.62
Over 250.00 not over 300.00	3.01
Over 300.00 not over 350.00	3.41
Over 350.00 not over 400.00	3.79
Over 400.00 not over 450.00	4.19
Over 450.00 not over 500.00	4.60
Over 500.00 not over 550.00	4.97
Over 550.00 not over 600.00	5.34
Over 600.00 not over 650.00	5.75
Over 650.00 not over 700.00	6.14
Over 700.00 not over 750.00	6.54
Over 750.00 not over 800.00	6.92
Over 800.00 not over 850.00	7.33
Over 850.00 not over 900.00	7.71
Over 900.00 not over 950.00	8.10
Over 950.00 not over 1,000.00	8.48
Over 1,000.00 at rate of \$8.48 per \$1,000.00	

∅ Change)
◊ Increase) Decision No. 72671

EFFECTIVE AUGUST 5, 1967

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.
Correction No. 568

-18-B-

SECTION NO. 4—COMMODITY RATES (Continued)
In cents per 100 lbs. except as noted

Item No.	COMMODITY	RATES
<p>\$425</p>	<p>FREIGHT, REGARDLESS OF CLASSIFICATION, transported within and between all zones:</p> <p>PARCEL DELIVERIES</p> <p>1. The rates and provisions of this item are limited in their application to shipments of general commodities, except articles of unusual value, dangerous articles (Class A and B explosives), household goods, commodities in bulk, and commodities requiring temperature control or special equipment. Each package or article shall be considered as a separate and distinct shipment.</p> <p>2. The provisions of this item will not apply to the transportation of:</p> <p>(a) Any package or article weighing more than 50 pounds or exceeding 108 inches in length and girth combined.</p> <p>(b) Any packages or articles weighing in the aggregate more than 100 pounds from one consignor at one location to one consignee at one location during a single day.</p> <p>Δ(c) Any shipment between retail stores and their branches or warehouses on the one hand, and on the other hand, the premises of the customers of such stores.</p> <p>3. Rates and charges in this item shall apply only on prepaid shipments and only where the shipper elects in writing in advance to utilize the rates and charges herein for all packages weighing 50 pounds or less tendered by said shipper to the carrier for delivery during the same calendar week.</p> <p>NOTE.—In addition to the rates named herein the carrier shall assess a service charge of \$2.00 per week unless all packages or pieces are tendered at carrier's terminal.</p>	<p>In Cents Per Package ◊24 . . Plus 3 cents for each pound or fraction thereof (See Note)</p>

◊ Change
 Δ Change, neither increase
 nor reduction
 ◊ Increase

} Decision No. **72671**

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San Francisco, California.

Correction No. 569