

BEM

ORIGINAL

Decision No. 72736

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of THOMPSON BROS. FREIGHT
FORWARDING CO., INC., a corpora-
tion, to depart from the rates,
rules and regulations of Minimum
Rate Tariff No. 2, under the
provisions of the Highway Carriers
Act.

Application No. 49099
(Filed January 20, 1967)

Frank Loughran, for applicant.
R. C. Broberg, H. F. Kollmyer, Arlo D. Poe
for California Trucking Association,
interested party.
John W. Henderson and Robert W. Stitch,
for the Commission staff.

O P I N I O N

Thompson Bros. Freight Forwarding Co., Inc., a corporation, conducts operations pursuant to radial highway common carrier, highway contract carrier and city carrier permits. Authority is sought to depart from the rates, rules and regulations of Minimum Rate Tariff No. 2 and to depart from certain provisions of General Order No. 84-F in connection with transportation and services performed on behalf of Procter & Gamble Distributing Company, hereinafter referred to as Procter & Gamble.

Public hearing was held before Examiner O'Leary on June 1, 1967 at San Francisco and the matter was submitted. Copies of the application and notice of hearing were served in accordance with the Commission's procedural rules. There are no protests.

By interim order in Decision No. 71955, dated January 31, 1967, applicant was authorized in connection with split delivery shipments originating at Procter & Gamble's plant located at

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Sacramento and destined to points located north of a line running easterly-westerly through the cities of King City and Fresno and all points located in Fresno, Kings and Tulare Counties to depart from the provisions of Items 170 and 171 of Minimum Rate Tariff No. 2 and General Order No. 84-F as follows:

1. Apply an additional charge of 29 cents per 100 pounds in lieu of the split delivery charge set forth in Item No. 171 of Minimum Rate Tariff No. 2.
2. Not apply the Exception to subparagraph (a) of Item No. 170 of Minimum Rate Tariff No. 2.
3. Make collect on delivery (C.O.D.) shipments part of a split delivery shipment.

Applicant was also authorized to charge less than the minimum rates set forth in Minimum Rate Tariff No. 2 for the transportation of trisodium phosphate in bulk from Richmond to the plant of Procter & Gamble at Sacramento and return shipments of used empty bins from the Procter & Gamble plant at Sacramento to Richmond. The interim authority is scheduled to expire July 31, 1967.

Applicant's general manager presented evidence that an important feature of Procter & Gamble's sales and distribution practice is the utilization of an electronic billing and documentation system. The interim authority granted by Decision No. 71955 with respect to split delivery and collect on delivery (C.O.D.) shipments permits applicant to provide Procter & Gamble with a service which simplifies its rating and billing procedures.

Evidence was also presented, by applicant's general manager, in the form of an exhibit, concerning the anticipated revenues and expenses of applicant under the proposed operations.

The data contained in the exhibit was based upon applicant's experience in performing the operations during February and March 1967. The cost of labor was increased to reflect the costs applicant would have incurred under the new union contract effective April 1, 1967. Because of the increased labor costs, applicant requested that the additional charge of 29 cents per 100 pounds in lieu of the split delivery charge set forth in Item 171 of Minimum Rate Tariff No. 2 be increased to 32 cents per 100 pounds. The anticipated revenues in connection with the split delivery shipments have been increased to reflect the 32 cents per 100 pound rate.

The evidence adduced discloses that the transportation at the proposed rates will result in an operating ratio of 94.4 percent for the split delivery shipments and an operating ratio of 83.95% for the movement of trisodium phosphate and the return movement of the empty bins.

The Commission finds that:

1. The proposed rates will be compensatory.
2. The proposed rates are reasonable and justified.

The Commission concludes that the sought relief should be granted. As conditions may change, the authority will be made to expire July 31, 1968, unless sooner canceled, changed or extended by order of the Commission.

ORDER

IT IS ORDERED that:

1. Thompson Bros. Freight Forwarding Co., Inc., is hereby authorized to depart from the provisions of the minimum rate orders otherwise applicable as more particularly set forth in Appendices A and B attached hereto and by this reference made a part hereof.

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2. The authority granted herein will expire July 31, 1968, unless sooner canceled, changed or extended by order of the Commission.

The effective date of this order shall be July 31, 1967.

Dated at San Francisco, California, this 11th day of July, 1967.

[Signature]
President

[Signature]

[Signature]

[Signature]
Commissioners

APPENDIX A TO DECISION NO. 72736

The authority herein granted applies only to split delivery shipments transported by Thompson Bros. Freight Forwarding Co., Inc. (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, and points in Fresno, Kings and Tulare Counties.

1. The carrier is authorized to apply an additional charge of 32 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 to not apply Exception 1 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.
4. All other provisions of Minimum Rate Tariff No. 2 apply.

(End of Appendix A)

APPENDIX B TO DECISION NO. 72736

THOMPSON BROS. FREIGHT FORWARDING CO., INC.

ITEM COMMODITIES: Trisodium phosphate, chlorinated or not
1. chlorinated, in shipper owned bins of not less than 60 cubic feet capacity.

FROM : Richmond, California.

TO : The Procter & Gamble Company plant, Sacramento, California.

RATE : 28 cents per 100 pounds.

MINIMUM : 45,000 pounds per shipment. Rate applies to the combined weight of the commodity and bins. The weight of the bins must be shown separately on the bill of lading and may not be used to make up the minimum weight of the shipment.

ITEM COMMODITIES: Used empty BINS, not nested, for return paying
2. load of Commodity in Item 1.

FROM : The Procter & Gamble Company plant, Sacramento, California.

TO : Richmond, California.

RATE : 50% of 4th Class rate but not less than 32 cents per 100 pounds.

MINIMUM : 2,000 pounds per shipment.

ITEM LOADING AND UNLOADING CARRIER'S EQUIPMENT:
3. The loading and unloading of carrier's equipment will be performed by the shipper's lift trucks. One hour free time will be allowed for loading and one hour free time will be allowed for unloading bins commencing from the time carrier's equipment is placed at the designated loading or unloading place. Delay in excess of free time will be charged for as provided in Item No. 145 of Minimum Rate Tariff No. 2.

ITEM : All other provisions of Minimum Rate Tariff
4. No. 2 are to apply.

(End of Appendix B)