

Decision No. <u>76442</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of RUSSELL TRUCK COMPANY, a corporation for authority to deviate from minimum rates pursuant to Section 3656 of the Public Utilities Code for transportation performed for Lever Brothers Company.

Application No. 51418 (Filed October 10, 1969)

<u>O P I N I O N</u>

Applicant operates as a radial highway common carrier and as a highway contract carrier. By Decision No. 74962, dated November 19, 1968, in Application No. 50585, Russell Truck Company was authorized to transport soap, washing compounds, dessert preparations, margarine, lard, shortening and syrups wholly or partially on pallets for Lever Brothers Company (Lever Brothers) originating at the City of Commerce and destined to points in Los Angeles, Orange, Sam Bernardino and Riverside Counties for distances of seventy-five constructive miles or less at rates two cents per 100 pounds less than the rates and charges provided in Minimum Rate Tariffs Nos. 2 and 5. The authority is scheduled to expire with December 15, 1969. By this application, authority is sought to assess the same less-thanminimum rates for an additional one-year period.

Applicant alleges that a 30,000-pound palletized shipment tendered to it by Lever Brothers can be loaded in 45 minutes or less and that hand loading of such a shipment would take approximately 2 hours. Applicant avers that the direct savings in labor costs for loading and unloading are well in excess of the reduction of 2 cents

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per 100 pounds in the rates in question and that it benefits substantially through greater utilization of personnel and equipment. Applicant asserts that the rate relief authorized under the current authority has encouraged the shipper to tender palletized shipments and to increase the quantity of traffic tendered in this manner.

Revenue and expense data submitted by applicant indicate that the transportation involved has been profitable and reasonably may be expected to be profitable in the ensuing year.

The certificate of service shows that a copy of the verified application was mailed to the California Trucking Association on October 9, 1969. The application was listed on the Commission's Daily Calendar of October 13, 1969. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that applicant's proposal is reasonable for the transportation involved. A public hearing is not necessary. The Commission concludes that the application should be granted.

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IT IS ORDERED that:

1. Russell Truck Company, a corporation, is authorized to depart from the minimum rates set forth in Minimum Rate Tariffs Nos. 2 and 5 for transportation performed for Lever Brothers Company from its warehouse in the City of Commerce to points and places in Los Angeles, Orange, San Bernardino and Riverside Counties, for distances within 75 constructive miles of the City of Commerce, subject to the conditions and limitations set forth in Appendix A attached hereto and by this reference made a part hereof.

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2. The authority granted herein shall, on and after December 15, 1969 supersede the authority granted by Decision No. 74962 and shall expire with December 15, 1970.

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

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Commissioner J. P. Vakasin, Jr., being necessarily obsont. did not participate in the disposition of this proceeding.

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APPENDIX A TO DECISION NO. <u>76442</u>

Carrier: Russell Truck Company

Shipper: Lever Brothers Company

<u>Commodities</u>: Soap, washing compounds, dessert preparations, margarine, lard, shortening and syrups.

<u>Points</u>: Applicable only on traffic transported for Lever Brothers Company originating at the City of Commerce, California, and destined to points in Los Angeles, Orange, San Bernardino, and Riverside Counties for distances of seventy-five constructive miles or less from point of origin, except between Los Angeles Territory and Los Angeles and Long Beach Harbors.

Rates:

1. When shipments are tendered to Russell Truck Company by Lever Brothers Company loaded on pallets furnished by Lever Brothers Company and are unloaded from the same pallets at point of delivery at the time of delivery, the same pallets utilized for the outbound shipment will be returned to Lever Brothers Company without charge.

2. When shipments are tendered to Russell Truck Company by Lever Brothers Company loaded on pallets furnished by Lever Brothers Company and are loaded by forklift equipment and operator furnished by Lever Brothers Company, and the shipments are received by the consignee loaded on the same pallets and are unloaded by forklift equipment and operator furnished by the consignee, the rates applicable to shipments tendered in quantities of 60,000 pounds and over shall be two cents per one hundred pounds less than the rates and charges otherwise provided in Minimum Rate Tariffs Nos. 2 and 5 (not including alternately applied common carrier rates). Pallets will be returned free when an equal number of pallets for return to Lever Brothers Company are tendered to Russell Truck Company by the consignee at the time of delivery of an inbound shipment.

- (a) When loading or unloading time exceeds three minutes per ton, additional charges for delay time shall be assessed as provided in Item No. 145 of Minimum Rate Tariff No. 2.
- (b) Will not apply to shipments accorded split delivery or split pickup service.

3. In all other respects the provisions of Minimum Rate Tariffs Nos. 2 and 5 will apply.

(End of Appendix A)