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ORIGINAL

Decision No. 76823

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of DELIVERY SERVICE COMPANY for Authority to Establish certain increased rates applicable to Wholesale and Retail Service between points within the East Bay Drayage Area and points in Alameda, Contra Costa, and Solano Counties, and to Wholesale and Retail Service between points within the East Bay Drayage Area and El Cerrito.

)  
) Application No. 51547  
) (Filed December 12, 1969)

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 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  
) Petition for Modification  
) No. 183  
) (Filed December 12, 1969)

O P I N I O N

Delivery Service Company, applicant and petitioner herein, is a highway common carrier of parcels and packages between points and over routes in Alameda, Contra Costa and Solano Counties. A portion of its operations is within and between cities in the East Bay Drayage Area. Historically the Commission has adopted applicant's wholesale parcel delivery rates as the minimum rates to be assessed by highway carriers for the transportation in the East Bay Drayage Area. Such rates are maintained in Item No. 840 of Minimum Rate Tariff No. 1-B. They provide substantially lower charges on a shipment of one package weighing 40 pounds or less than the class rates and commodity rates together with the minimum charges that would

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otherwise be applicable. Applicant here seeks to increase its published retail and wholesale parcel delivery rates and to have the minimum wholesale parcel delivery rates in Minimum Rate Tariff No. 1-B, Item No. 840 increased accordingly.<sup>1/</sup>

The present rates in Item No. 840, and applicant's published rates, became effective June 29, 1968. Applicant states that since then its driver's wages have increased 37 cents per hour and its payments to the union's health and welfare fund have increased 10 cents per hour. Exhibits attached to the application show that for the period of November 1, 1968 to June 23, 1969, applicant had an operating loss of \$4,641.90 and that adjusted to reflect the proposed increased rates and current operating costs its operating ratio would have been 96.8 percent before taxes.

Notice of the filing of the application and the petition appeared on the Commission's Daily Calendar of December 15, 1969. No objection to the granting of the petition and application has been received.

We find that the proposed increases in rates are justified; that Delivery Service Company continues to be the rate-making carrier in the parcel delivery field for the services for which minimum rates are provided in Item No. 840 of Minimum Rate Tariff No. 1-B; and that the rates proposed in Petition for Modification No. 183 are just, reasonable and nondiscriminatory minimum rates to be observed by all highway carriers for the transportation services to which

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<sup>1/</sup> The proposed rates are set forth in Exhibits A of the petition and application. Applicant's published rates are named in Items Nos. 105 and 110 of its Tariff No. 6, Cal. P.U.C. No. 6; Items Nos. 75 and 90 of its Tariff No. 8, Cal. P.U.C. No. 8; and Items Nos. 105 and 115 of its Tariff No. 9, Cal. P.U.C. No. 9.

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said minimum rates apply. A public hearing is not necessary. The Commission concludes that the petition and the application should be granted.

O R D E R

IT IS ORDERED that:

1. Delivery Service Company, a corporation, is authorized to publish and file the increased rates proposed in Application No. 51547.

2. Minimum Rate Tariff No. 1-B (Appendix B of Decision No. 65834, as amended) is further amended by incorporating therein, to become effective April 4, 1970, Eighth Revised Page 43 attached hereto and by this reference made a part hereof.

3. Tariff publications required or authorized to be made by common carriers as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than the fifth day after the effective date of this order, on not less than five days' notice to the Commission and to the public; such tariff publications as are required shall be made effective not later than April 4, 1970; and as to the tariff publications which are authorized but not required, the authority herein granted shall expire unless exercised within ninety days after the date hereof.

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4. In all other respects Decision No. 65834, as amended, shall remain in full force and effect.

The effective date of this order shall be twenty-three days after the date hereof.

Dated at San Francisco, California, this 20<sup>th</sup> day of FEBRUARY, 1970.

William Sproule  
President

[Signature]  
Commissioners

Commissioner A. W. Getov, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner J. F. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

MINIMUM RATE TARIFF 1-B

| SECTION 3--COMMODITY RATES (Concluded)<br>In Cents Per 100 Pounds, Except As Noted   |   | ITEM  |
|--|---|---|
| COMMODITY  | RATE  |   |
| <p>PARCEL CITY DELIVERY (Wholesale Only) (See Note)</p> <p>Within and between all zones, and applies on packages containing property, weighing not to exceed (1)40 pounds per package, and only on deliveries from jobbers, wholesalers, industries and retail stores to other jobbers, wholesalers, industries and retail stores.</p> <p>1 to and including 100 packages per week -----<br/>           Over 100 to and including 400 packages per week -----<br/>           Over 400 packages per week -----</p> <p>(1) On all packages exceeding 40 pounds in weight, an additional charge of 3 cents per pound shall be made for each pound or fraction thereof in excess of 40 pounds.</p> <p>NOTE.--The above rates are subject to a service charge of 50 cents for each pickup stop made at consignor's place of business.</p>   | <p>In Cents<br/>Per Package</p> <p>092<br/>072<br/>060</p>  | 6840  |
| <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>(c) Any package or article when consignor requests delivery on the same day that package or article is picked up at consignor's place of business or delivered to carrier's terminal.</p> <p>(d) 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<br/>Per Package<br/>32</p> <p>Plus 3 cents<br/>for each<br/>pound or<br/>fraction<br/>thereof</p> <p>(See Note)</p> | 850   |
| <p>◊ Change )<br/>           ◊ Increase )</p>  |   | Decision No. 76823  |
| EFFECTIVE  |   |   |
| Correction 265   |   | ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,<br>SAN FRANCISCO, CALIFORNIA. |