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Decision No. 79718

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of KINGS COUNTY TRUCK LINES )  
for authority to charge less than the )  
minimum rates heretofore established by )  
the Commission, as authorized in Section )  
3666 of the Public Utilities Code of the )  
State of California. )

Application No. 52837  
(Filed September 1, 1971)

D. H. Marken, Attorney at Law (Washington),  
for applicant.  
J. C. Kaspar, H. F. Kollmyer and A. D. Poe,  
Attorney at Law, for California Trucking  
Association, interested party.  
John F. Specht, for the Commission staff.

O P I N I O N

Kings County Truck Lines, a California corporation, conducting operations as a radial highway common carrier and a highway contract carrier seeks authority to assess less than the minimum rates named in Minimum Rate Tariff 2 for the transportation of certain commodities for the account of Safeway Stores, Inc. (Safeway).

A public hearing was held before Examiner O'Leary at Fresno on November 18, 1971, at which time the matter was submitted, subject to the filing of the transcript which was filed on December 23, 1971.

Evidence in support of the application was presented by three witnesses, namely, the vice president and the secretary of applicant and the manager of Safeway's milk plant located at Oakland. A representative of the California Trucking Association and a representative from the Commission staff assisted in the development of the record.

Applicant proposes to charge \$400 per round trip for the following service. Applicant's driver will utilize a 3-axle diesel tractor to pick up a 45-foot refrigerated van trailer which has been

loaded by Safeway's employees with pallets, empty milk cases, sour half and half and milk concentrate at Safeway's milk plant located at 5725 East 14th Street, Oakland. The driver will then proceed to the Avoset plant located at Gustine where the pallets and empty milk cases will be unloaded and sterilized milk products will be loaded. The driver will assist with this portion of loading and unloading. The driver then proceeds to the Safeway milk plant at 3361 Boxford Avenue, Los Angeles, and spots the trailer for unloading and goes off duty for at least eight hours. While the driver is off duty, Safeway personnel unload the trailer and reload it with delicatessen products consisting of potato salad, macaroni salad, health salad, coleslaw, gelatin salads, dips, sour cream, cheese spreads, peanut butter and puddings. When returning to duty the driver will pick up the trailer which has been loaded with the delicatessen products and proceed to the Safeway milk plant at 5725 East 14th Street, Oakland.

The assistance by the driver in the loading and unloading at Gustine is limited to two hours without additional charge. Time in excess of two hours will be assessed at the rates set forth in Item 145 of Minimum Rate Tariff 2.

The transportation is presently being performed by Safeway with leased equipment.

Exhibit 1 is a cost study which sets forth the costs applicant will incur under the proposed operation. The exhibit shows that applicant's total costs based upon a minimum of three trips per week or 156 trips per year would amount to \$369.29 per trip. The secretary of applicant testified that said cost would increase by \$1.00 because of increased labor charges effective January 1, 1972. The accountant also testified that certain other costs may increase as of July 1, 1972.

Based on the evidence adduced, the Commission finds that:

1. The proposed rate will be compensatory.
2. The proposed rate is reasonable and justified.
3. Certain costs set forth in Exhibit 1 may increase

July 1, 1972.

The Commission concludes that the application should be granted. As conditions may change, the authority will be made to expire December 31, 1972 unless sooner canceled, modified or extended by order of the Commission.

O R D E R

IT IS ORDERED that:

1. Kings County Truck Lines is authorized to perform transportation for Safeway Stores, Inc. at rates less than the minimum rates set forth in Minimum Rate Tariff 2 to the extent set forth in Appendix A, attached hereto and by this reference made a part hereof.

2. The authority herein granted shall expire December 31, 1972 unless sooner cancelled, changed or extended by order of the Commission.

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

Dated at San Francisco, California, this 15<sup>th</sup> day of FEBRUARY, 1972.

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 Chairman  
*William Aquino*  
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*James L. Stinson*  
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 Commissioners

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

APPENDIX A

Carrier: Kings County Truck Lines.

Shipper: Safeway Stores, Inc.

Charge: \$400 per trip per unit of equipment.

Trip: From Safeway Stores, Inc. milk plant, 5725 East 14th Street, Oakland, to Avoset plant, Gustine, California, thence to Safeway Stores, Inc. milk plant, 3361 Boxford Avenue, Los Angeles, thence to Safeway Stores, Inc. milk plant, 5725 East 14th Street, Oakland.

Unit of Equipment: 3-axle diesel tractor and 45-foot refrigerated van trailer.

Commodities:

1. From Oakland to Gustine.

Pallets and milk carriers.

2. From Oakland to Los Angeles.

Half and half and milk concentrate.

3. From Gustine to Los Angeles.

Milk beverage, chocolate flavored, liquid; milk or cream, sterilized or pasteurized or milk or cream substitutes, processed from vegetable, soybean or grain products, with or without other ingredients, in hermetically sealed inner containers or in gas-charged dispensing cylinders or cans.

4. From Los Angeles to Oakland.

Milk food, other than malted milk, other than liquid (yogart); foods, prepared, NOI (potato salad, macaroni salad, health salad, coleslaw, gelatin salads, dips, sour cream, cheese spreads, peanut butter, puddings).

Conditions:

1. Loading and unloading at Oakland and Los Angeles to be performed by Safeway Stores, Inc. personnel.
2. Kings County Truck Lines driver may assist in loading and unloading at Gustine.
3. Loading and unloading at Gustine to be completed within 2 hours. Time in excess of 2 hours shall be assessed at the rates set forth in Item 145 of Minimum Rate Tariff 2.