

Decision No. 80128

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application)
of MID-VALLEY TRANSPORTATION, INC.,)
a corporation, for authority to)
depart from minimum rates in con-)
nection with the transportation of)
watermelon for Safeway Stores,)
Incorporated.)

Application No. 53325
(Filed May 11, 1972)

OPINION AND ORDER

Mid-Valley Transportation, Inc., a corporation, (Mid-Valley) operates as a highway permit carrier. Decision No. 78737, dated May 25, 1971, in Application No. 52619 authorized Mid-Valley to deviate from the established minimum rates and rules in connection with the transportation of watermelons in collapsible bins on pallets for Safeway Stores, Incorporated (Safeway) by basing the transportation charges on the net weight of the shipment instead of the gross weight thereof and by returning the collapsible bins and pallets to point of original shipment or such other point or points equidistant or less from Richmond without charge. The authority expires on June 1, 1972.

By this application, Mid-Valley seeks authority to continue the current deviation for a further one-year period. It also requests that the authority be modified by (1) increasing the currently authorized rates by amounts ranging from 5 to 8 percent and (2) allowing an incentive deduction of \$50.00 per unit of carrier's equipment from the freight charges resulting under the proposed rates.

Applicant states that, due to circumstances beyond its control, no traffic was transported under the authorized rates during the 1971 season. It alleges that the shipment of watermelons in bins was attempted on a limited basis during the 1971 season and that the experience gained was inconclusive. It contends that use of the aforementioned method of shipping watermelons for another year under the proposed rates should evolve some meaningful data. Applicant avers that the advantages of unitized loading and unloading will accrue considerable economies to it and Safeway and more efficient utilization of its equipment resulting in a lower delivered cost of watermelons to the public.

Data submitted by applicant indicate that the proposed rates may reasonably be expected to be profitable for the transportation involved.

The verified application shows that copies thereof were mailed to California Trucking Association on or about May 11, 1972. The application was listed on the Commission's Daily Calendar of May 12, 1972. No objection to the granting of the application has been received.

Commission staff analysis of the application indicates that the shipper will benefit from the proposal by paying lower aggregate charges for the transportation services in question. Also, a greater net revenue will accrue to applicant for the involved transportation due to reductions that it will experience in loading and unloading costs. The staff recommends that the application be granted by ex parte order for one year.

Applicant is hereby notified that any extension of the authority involved herein must be timely filed in order that the Commission may consider the matter in accordance with its procedural rules.

In the circumstances, it appears, and the Commission finds, that applicant's proposal is reasonable. A public hearing is not necessary. The Commission concludes that the application should be granted. Inasmuch as the current authority expires June 1, 1972, the order will be made effective on the date hereof.

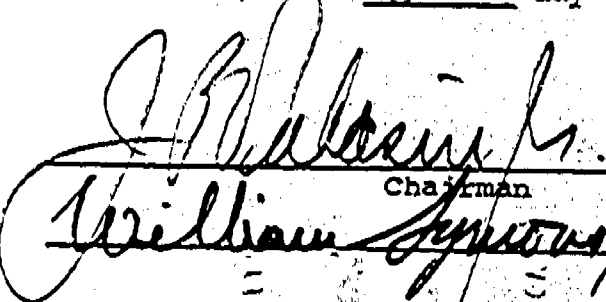
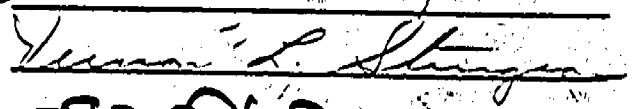

IT IS ORDERED that:

1. Mid-Valley Transportation, Inc., a corporation, is authorized to transport watermelons, in bulk, for Safeway Stores, Incorporated, at rates which differ from the established minimum rates and charges otherwise applicable but which are not less than those set forth in and subject to the conditions specified in Appendix A, attached hereto and by this reference made a part hereof.

2. The authority granted herein shall expire one year after the effective date of this order unless sooner canceled, modified or extended by order of the Commission.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 31st day of May, 1972.


Chairman


Commissioners

APPENDIX A

MID-VALLEY TRANSPORTATION, INC.
(a corporation)

SCHEDULE OF MINIMUM RATES FOR THE TRANSPORTATION OF WATERMELONS
TO RICHMOND, CALIFORNIA FOR SAFEWAY STORES, INCORPORATED

Section 1

Item 10 - Application of Rates

The minimum rates and rules set forth in Minimum Rate Tariff 8 are applicable on all shipments of watermelons except as specifically provided in Section 2.

Section 2

Item 20 - Application

Rates in this section are subject to a minimum weight of 42,000 pounds per unit of carrier's equipment and apply only to watermelons, in bulk in collapsible bins on pallets, to Safeway Stores, Incorporated at Richmond.

Rates named apply on the net weight of the watermelons and include free return of the collapsible bins and pallets to point of original shipment or such other point or points equidistant or less from Richmond.

Shipments rated under this section are entitled to an incentive allowance of \$50.00 per unit of carrier's equipment used, such allowance to be deducted from freight charges that have been computed in accordance with Item 30 herein.

Rates named include two (2) hours free time for loading and two (2) hours free time for unloading. Any waiting time beyond this period resulting from any cause not the fault of and beyond the control of carrier shall be subject to an additional charge as provided in Item 150 of Minimum Rate Tariff 8.

Item 30 - Rates in Cents Per One Hundred Pounds

<u>MILES</u>		<u>RATE</u>
<u>OVER</u>	<u>BUT NOT OVER</u>	
0	150	74
150	250	82
250	350	98
350	575	136

(END OF APPENDIX A)