

Decision No. 80285

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application
of
SAN FRANCISCO PARCEL SERVICE, INC.,
a California corporation,
for authority to depart from certain
minimum rates, rules, and regulations
established by the Public Utilities
Commission of the State of California.

Application No. 53396
(Filed June 13, 1972)

INTERIM OPINION AND ORDER

San Francisco Parcel Service, Inc., a corporation, operates as a highway permit carrier. By this application, it seeks authority, on an interim basis, pending hearing in the matter, to transport packages weighing 100 pounds or less from San Francisco and points within 14 miles thereof to San Carlos, Sacramento and Fresno and points within 50 miles of said cities and Los Angeles and points within 125 miles of that city at rates which are different and less than the Commission's established minimum rates.

Applicant states that it currently transports a great number of packages, a majority of them weighing less than 10 pounds and all of them weighing less than 100 pounds each. Applicant avers that it is not feasible to assess the minimum rates provided in Minimum Rate Tariff 2 (MRT 2) because its competitors hold authority from the Commission to assess rates which are less than the established minimum rates.¹ Applicant alleges that the MRT 2 rates were not designed for local deliveries of

¹The Commission has exempted certain parcel delivery carriers from observing the minimum rates in Minimum Rate Tariff 2 on shipments of 100 pounds or less.

packages weighing less than 100 pounds and are higher than can be borne by the shippers involved.

Applicant declares that it is funded largely by the Small Business Administration (SBA) under the minority opportunity program and that its shippers are quite anxious to increase the amount of business given to it for reasons of natural sympathy and because of the direct urging of the federal government. Applicant contends that it is not its purpose to secure its competitors' traffic but only to retain that which it now has on an equal basis.

Applicant states that inability to operate under the sought authority on an interim basis pending hearing would severely jeopardize its entire business, the status of its government loan and a significant portion of the minority opportunity program of the local SBA office. Applicant asserts that it is of extreme importance and necessity that the sought authority be granted in order that it may compete equally with its competitors.

Revenue and expense data submitted by applicant indicate that the proposed rates may reasonably be expected to be compensatory for the transportation involved.

The verified application shows that copies thereof were mailed to California Trucking Association, United Parcel Service, California Manufacturers Association, Small Business Administration and Peninsula Parcel Service, Inc. on or about June 15, 1972. California Trucking Association protests the granting of this application on an ex parte basis.

The Transportation Division staff has reviewed the application and recommends that, in view of the urgent need for the sought rate relief, it be granted by ex parte order on an interim basis pending decision on evidence to be adduced at a public hearing.

Subject to further review upon consideration of the evidence which may be adduced at a public hearing, it appears, and the Commission finds, that the proposed rates are reasonable. In view of the existing conditions, the Commission concludes that the applicant should be granted interim authority. A future hearing will be scheduled in this proceeding.

IT IS ORDERED that:

1. Pending further order herein, San Francisco Parcel Service, Inc., a corporation, is authorized to transport packages weighing 100 pounds or less at rates less than and different from the established minimum rates but not less than the rates set forth, and subject to the conditions specified, in Appendix A attached hereto and by this reference made a part hereof.

2. A public hearing shall be scheduled in this proceeding for the receipt of evidence on this application and full disposition thereof.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 25th day of July, 1972.

President
William J. ...

[Signature]

[Signature]
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

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

APPENDIX A

MINIMUM RATES TO BE CHARGED BY
SAN FRANCISCO PARCEL SERVICE, INC.

APPLICATION

The rates shown herein apply to the transportation of packages weighing 100 pounds or less. (See Exception)

Maximum weight per package, 100 pounds.

Maximum size per package, 108 inches in length and girth combined.

Minimum charge for a package measuring over 84 inches in length and girth combined will be equal to the charge for a package weighing 34 pounds.

C.O.D. Delivery, an additional charge of 65 cents per package.

Address correction, an additional charge of 65 cents per package.

FROM: Points within a 14 mile radius of San Francisco

TO: (a) Zone A - Points within a 50 mile radius of San Carlos

(b) Zone B - Points within a 50 mile radius of Sacramento

(c) Zone C - Points within a 50 mile radius of Fresno

(d) Zone D - Points within a 125 mile radius of Los Angeles

EXCEPTION

Rates do not apply to the transportation of articles of unusual value, Classes A and B explosives, household goods as defined in Minimum Rate Tariff 4-B, commodities transported in bulk and commodities requiring temperature control or special equipment.

RATES (In Cents per Package)

| <u>Weight Not to Exceed</u> | <u>Zone A</u> | <u>Zone B</u> | <u>Zone C</u> | <u>Zone D</u> |
|---------------------------------|---------------|---------------|---------------|---------------|
| 2 lbs. | \$.50 | \$.55 | \$.60 | \$.65 |
| 4 lbs. | .55 | .61 | .67 | .75 |
| 6 lbs. | .62 | .68 | .74 | .88 |
| 8 lbs. | .70 | .75 | .85 | 1.00 |
| 10 lbs. | .78 | .84 | .97 | 1.15 |
| 12 lbs. | .84 | .94 | 1.09 | 1.30 |
| 14 lbs. | .90 | 1.05 | 1.20 | 1.45 |
| 16 lbs. | .97 | 1.14 | 1.31 | 1.60 |
| 18 lbs. | 1.05 | 1.23 | 1.42 | 1.75 |
| 20 lbs. | 1.12 | 1.32 | 1.53 | 1.90 |
| 22 lbs. | 1.19 | 1.41 | 1.64 | 2.05 |
| 24 lbs. | 1.27 | 1.50 | 1.75 | 2.20 |
| 26 lbs. | 1.35 | 1.59 | 1.86 | 2.35 |
| 28 lbs. | 1.41 | 1.68 | 1.97 | 2.50 |
| 30 lbs. | 1.47 | 1.77 | 2.08 | 2.65 |
| 32 lbs. | 1.54 | 1.86 | 2.19 | 2.80 |
| 34 lbs. | 1.60 | 1.95 | 2.30 | 2.95 |
| 36 lbs. | 1.67 | 2.04 | 2.41 | 3.12 |
| 38 lbs. | 1.74 | 2.12 | 2.52 | 3.30 |
| 40 lbs. | 1.80 | 2.20 | 2.65 | 3.45 |
| 42 lbs. | 1.88 | 2.29 | 2.75 | 3.60 |
| 44 lbs. | 1.96 | 2.38 | 2.85 | 3.75 |
| 46 lbs. | 2.04 | 2.47 | 2.96 | 3.90 |
| 48 lbs. | 2.12 | 2.56 | 3.08 | 4.05 |
| 50 lbs. | 2.20 | 2.65 | 3.20 | 4.20 |
| 52 lbs. | 2.28 | 2.74 | 3.31 | 4.35 |
| 54 lbs. | 2.35 | 2.83 | 3.43 | 4.50 |
| 56 lbs. | 2.43 | 2.92 | 3.54 | 4.65 |
| 58 lbs. | 2.51 | 3.01 | 3.66 | 4.80 |
| 60 lbs. | 2.59 | 3.10 | 3.78 | 4.95 |
| 62 lbs. | 2.67 | 3.19 | 3.90 | 5.10 |
| 64 lbs. | 2.75 | 3.28 | 4.02 | 5.25 |
| 66 lbs. | 2.82 | 3.37 | 4.14 | 5.40 |
| 68 lbs. | 2.90 | 3.46 | 4.25 | 5.55 |
| 70 lbs. | 2.97 | 3.55 | 4.36 | 5.70 |
| 72 lbs. | 3.04 | 3.64 | 4.47 | 5.85 |
| 74 lbs. | 3.12 | 3.73 | 4.58 | 6.00 |
| 76 lbs. | 3.20 | 3.82 | 4.70 | 6.15 |
| 78 lbs. | 3.27 | 3.91 | 4.82 | 6.30 |
| 80 lbs. | 3.35 | 4.00 | 4.93 | 6.45 |
| 82 lbs. | 3.43 | 4.09 | 5.04 | 6.60 |
| 84 lbs. | 3.50 | 4.18 | 5.25 | 6.75 |
| 86 lbs. | 3.58 | 4.27 | 5.36 | 6.90 |
| 88 lbs. | 3.65 | 4.36 | 5.48 | 7.05 |
| 90 lbs. | 3.73 | 4.45 | 5.60 | 7.20 |
| 92 lbs. | 3.80 | 4.54 | 5.72 | 7.35 |
| 94 lbs. | 3.88 | 4.63 | 5.84 | 7.50 |
| 96 lbs. | 3.97 | 4.72 | 5.96 | 7.65 |
| 98 lbs. | 4.06 | 4.81 | 6.08 | 7.80 |
| 100 lbs. | 4.15 | 4.90 | 6.20 | 7.95 |

Any fraction of a pound over the weight shown takes the next higher rate.

(END OF APPENDIX A)