

Decision No. 81278

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
LOS ANGELES TRANSPORT & WAREHOUSE CO.,
a California corporation, for an order
authorizing applicant to deviate from
certain minimum rates on shipments
transported for H. J. HEINZ CO.,
pursuant to Section 3666 of the Public
Utilities Code of the State of
California.

Application No. 53825
(Filed February 2, 1973)

INTERIM OPINION AND ORDER

Los Angeles Transport & Warehouse Co., a California corporation, holds radial highway common carrier and highway contract carrier permits. It also holds a certificate of public convenience and necessity which is not involved herein. By this application, it seeks authority to assess rates five cents per 100 pounds less than the applicable minimum rates for the transportation of canned goods and/or foodstuffs, as described in Items 320, 320-1, and 345 of Minimum Rate Tariff 2 (MRT 2), for H. J. Heinz Company (Heinz) when the freight is palletized and loaded by forklift by the shipper and the transportation originates at the shipper's place of business at 1041 E. 230th Street, Carson.^{1/}

^{1/} Canned goods are described in Items 320 and 320-1 of MRT 2. The application refers to Item 320 only. Applicant has informed the Commission that the failure to refer to Item 320-1 was an inadvertent oversight. The application has been amended accordingly.

The application states as follows: Applicant's cost for loading the commodities in issue is \$8.55 per hour; four hours are required to load a 40,000-pound shipment, and the resulting cost is \$34.20; this can be accomplished by a forklift in one-half hour at a total cost to applicant of \$4.28; the savings is \$29.92; the proposed allowance to Heinz for a shipment of this weight is \$20.00 which would result in a net savings to applicant of \$9.92 per load; applicant serves Heinz under its contract carrier permit and anticipates it will transport 8.8 million pounds per three month period which would be 220 loads; based on a savings of \$9.92 per load, applicant would save a total of \$2,182.40 each three months if the sought authority is granted; this would improve its net operating revenue; rail alternative rates from other shipping points which are served by rail facilities and where competitors of Heinz are located are more favorable than the rates proposed herein; applicant has the necessary experience and equipment for this operation.

A copy of the application has been served on California Trucking Association. The application was listed on the Commission's Daily Calendar.

The Transportation Division staff has reviewed the application and in view of the urgency of this matter the staff recommends that the application 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, the Commission finds that the proposed rates are reasonable. The Commission concludes that applicant should be granted interim authority for a period of six months to the extent hereinafter indicated. A future hearing will be scheduled in this proceeding.

IT IS ORDERED that:

1. Los Angeles Transport & Warehouse Co., a California corporation, is hereby authorized to transport shipments of canned goods and/or foodstuffs, as described in Items 320, 320-1, and 345 of Minimum Rate Tariff 2, for H. J. Heinz Company at rates five cents per 100 pounds less than the applicable minimum rates subject to the conditions that the freight shall be palletized and loaded by forklift by the shipper and the point of origin is the shipper's place of business at 1041 E. 230th Street, Carson.

2. The authority hereinabove granted shall expire six months after the effective date of this order unless sooner canceled, modified, or extended by order of the Commission.

3. A public hearing shall be scheduled in this proceeding for the receipt of evidence on this application.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17th
day of APRIL, 1973.

Vernon L. Stassen
President
William Lynous Jr.
[Signature]
[Signature]
Commissioners

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