Decision No. 81438

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application

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CENTRAL COAST TRUCK SERVICE, INC., a corporation

for authority to depart from the rates, rules and regulations of Minimum Rate Tariff No. 2 in connection with certain transportation of commodities requiring temperature control service on pallets to be performed for Safeway Stores Incorporated, under provisions of Section 3666 of the Public Utilities Code.

Application No. 54019 (Filed May 9, 1973)

ORIGINAL

INTERIM OPINION AND ORDER

Central Coast Truck Service, Inc., a corporation, operates as a radial highway common carrier and a highway contract carrier. By this application, it seeks authority to deviate from the minimum rates in Minimum Rate Tariff 2 (MRT 2) in connection with the transportation of palletized shipments of commodities requiring temperature control service by returning the empty pallets for Safeway Stores, Inc. (Safeway) without charge when such return transportation is for distances of 220 miles or less.

Applicant states that the class rates and the rates for temperature control service in MRT 2 apply to the transportation of such palletized shipments. Applicant declares that MRT 2 provides for the return transportation of the empty pallets: (1) without charge, under specified conditions, when such transportation is for distances of 75 miles or less; and (2) at the class rates named in said tariff when the transportation is for distances exceeding 75 miles or the transportation does not comply with the specified conditions.

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Applicant alleges that the current rate structure in Minimum Rate Tariff 2 includes the cost of loading and unloading by the carrier. Applicant avers that Safeway has undertaken the loading and unloading of palletized shipments and, as a result thereof, its costs for loading and unloading such palletized shipments have been greatly reduced when compared with the costs of hand loading and unloading. Applicant contends that only its driver is generally utilized in loading or unloading at Safeway's distribution centers in connection with Safeway personnel and the loading and unloading can be performed in less than one hour for each operation as compared with 3 or more hours for each operation when hand loading or unloading is involved. Applicant states that better utilization of its equipment and reduced costs in the operation of the refrigeration units on its equipment are also obtained inasmuch as the palletized shipments are picked up, transported and delivered in less time than other shipments.

Applicant avers that it normally transports 6 truckloads per day between Richmond, Sacramento, Santa Fe Springs, Stockton, Ontario, Norwalk, Patterson, Salinas, Santa Maria, Turlock, Ventura and Watsonville. Applicant requests ex parte action in this matter or interim authority pending hearing as it is about to commence the heavy movement of certain commodities which are seasonal.

The certificate of service shows that copies of the application were mailed to California Trucking Association and Safeway Stores, Inc. on May 9, 1973. The application was listed on the Commission's Daily Calendar of May 10, 1973. No objection to the granting of the application has been received.

Subject to further review upon consideration of 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. A future hearing will be scheduled in this proceeding.

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IT IS ORDERED that:

1. Central Coast Truck Service, Inc., a corporation, is authorized to depart from the minimum rates and rules set forth in Minimum Rate Tariff 2 for the transportation of palletized shipments of commodities requiring temperature control service and the return transportation of the empty pallets for Safeway Stores, Inc., as more specifically set forth in Appendix A attached hereto and by this reference made a part hereof.

2. The authority herein 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 and full disposition thereof.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this <u>30</u>th day of May, 1973.

Commissioners

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APPENDIX A

CARRIER: CENTRAL COAST TRUCK SERVICE, INC.

SHIPPER: SAFEWAY STORES, INCORPORATED

COMMODITIES: Commodities requiring Temperature Control Service on Pallets

Section 1

RATES: The minimum rates and rules set forth in Minimum Rate Tariff 2 are applicable on all shipments of commodities requiring temperature control service except as provided in Section 2 herein and except that Items 200 to 241 of Minimum Rate Tariff 2 will not apply.

Section 2

- APPLICATION OF RATE: When palletized shipments are transported by Central Coast Truck Service, Inc. under rates named herein, the empty pallets, platforms or skids may be transported without charge from the original billed destination point to the point of origin or from the original destination point to an intermediate point between original origin and destination points, where loading of a new palletized shipment is made at the intermediate point for movement to a Safeway Distribution Center, by Central Coast Truck Service, Inc. subject to the terms and conditions in Notes 1 through 7 below.
 - NOTE 1. One hour free time will be allowed for loading and one hour free time will be allowed for unloading of shipments. Whenever the elapsed time between commencement and completion of the loading or unloading of shipments exceeds one hour, additional charges for delay time in excess of one hour shall be assessed as provided for in Item 145 of Minimum Rate Tariff 2.

NOTE 2. Shipper must indicate the number of pallets and weight thereof on bill of lading covering the loaded movements.

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- NOTE 3. Each unit of carrier's equipment used to transport commodities (other than empty pallets subject to this rule) moving under the provisions of this section shall be subject to a minimum weight of not less than 40,000 pounds.
- NOTE 4. This section will not apply on empty pallets which are moved for a distance exceeding 220 miles.
- NOTE 5. Carrier will assess applicable tariff charges on cmpty pallets under the following conditions:
 - a. If consignee immediately upon receipt of shipment fails to provide carrier with up to a like number of pallets, either for a return movement or loaded for a beyond movement by carrier, or

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- b. For any empty pallets tendered in excess of the number of loaded pallets transported by carrier on said shipment.
- NOTE 6. For the purpose of this authority, empty pallets, platforms on skids shall be as described in Item 150370, sub 1; Item 150380; Item 150390, sub 4; or Item 150430, sub 2 of the Governing Classification; six inches or less in height or nested solid (as defined in Rule 110 of the Governing Classification) and of wood, metal or wood and metal construction.
- NOTE 7. The provisions of this section apply only on prepaid shipments, the transportation charges for which are paid by Safeway Stores, Incorporated.

(END OF APPENDIX A)

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