

ORIGINALDecision No. 82147

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
S.M.D.S., INC., doing business as
SANTA MONICA DELIVERY SERVICE, for
Authority to Deviate from Certain
Minimum Rates Pursuant to Section
3666 of the California Public
Utilities Code for Transportation
performed for General Tire &
Rubber Co.

Application No. 54325
(Filed September 14, 1973)

INTERIM OPINION AND ORDER

S.M.D.S., Inc., doing business as Santa Monica Delivery Service and presently providing service as a permitted carrier, requests authority to transport tires, batteries, and accessories for General Tire & Rubber Company at rates 8.8 percent less than the rates provided for in Minimum Rate Tariff 15.

Applicant has been transporting shipments for General Tire & Rubber Company from the shipper's City of Industry warehouse since 1958.

According to the application applicant had an operating ratio of 75.8 percent for the month of March 1973 and would have had an operating ratio of 81.9 percent for the same month had the proposed reduced rates been applicable. As of June 30, 1973 applicant indicated a net worth in the amount of \$35,742 and realized a net profit of \$18,326 for the eleven months ending June 30, 1973.

It is alleged that General Tire & Rubber Company has made extensive cost studies and has determined that proprietary motor carriage would cost substantially less than the cost of a for-hire service under the prevailing minimum rates.

The certificate of service indicates that a copy of the application was served upon the California Trucking Association. No objection to the application has been received.

Based upon the allegations set forth in the application and subject to findings to be made following a future public hearing, the Commission finds that the proposed rates are reasonable for the transportation to be performed.

The Commission concludes that applicant should be granted interim authority to the extent hereinafter set forth for a period of six months. A future hearing will be scheduled in this proceeding.

IT IS ORDERED that:

1. S.M.D.S., Inc., doing business as Santa Monica Delivery Service, is authorized to depart from the minimum rates set forth in Minimum Rate Tariff 15 by charging base yearly vehicle unit rates not less than 8.8 percent less than the otherwise applicable rates when transporting tires, batteries, and accessories for General Tire & Rubber Company in Los Angeles and Orange Counties.

2. The authority granted herein shall expire six months after the effective date of this order.

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

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 20th day of NOVEMBER, 1973.

William L. Sturgeon President
Vernon L. Sturgeon
Commissioners

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