

Decision No. 82848

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of Basic Materials Transport for authority to furnish pallets and deviate from minimum rates and charges on unitized shipments from Sacramento to Los Angeles territory for the Procter & Gamble Company under Section 3666 and Section 3667 of the Public Utilities Code.

Application No. 54726
(Filed March 14, 1974)

In the matter of APPLICATION of SIGNAL TRUCKING SERVICE, LTD., a California Corporation, for authority to deviate from the minimum rates pursuant to Section 3666 of the Public Utilities Code of the State of California for the account of Procter & Gamble.

Application No. 54749
(Filed March 22, 1974)

INTERIM OPINION AND ORDER

Basic Materials Transport (Basic) and Signal Trucking Service, Ltd. (Signal) seek authority pursuant to Sections 3666 and 3667 of the Public Utilities Code to depart from the provisions of Minimum Rate Tariff 2 in connection with certain transportation performed for Procter & Gamble Company. ✓

Applicants propose to transport unitized shipments (Tops Program) under a continuing contract from warehouses of Procter & Gamble Company to various grocery warehouses on pallets furnished by applicants.

Minimum rates and charges have not been established for carrier furnished pallets, and in the absence of a specific rate or authorization by this Commission, such additional service is prohibited by Section 3667 of the Public Utilities Code.

Applicants propose to assess a specific charge for the furnishing of pallets, in addition to the rate for transportation. A charge of 3¢ cwt is proposed and is based upon the same charges currently assessed by contract carriers for Procter & Gamble Company in the central and eastern states, as reported to the applicants by the shipper.

Shipments transported by Basic will originate at Procter & Gamble Company's plant at Sacramento with destinations in the Los Angeles Territory, as described in MRT 2, Item 270-3, and the points of Colton and Riverside.

Shipments transported by Signal will originate at Procter & Gamble Company's plant at Long Beach with destinations in Los Angeles, Santa Fe Springs, Corona, San Fernando, Vernon, Glendale, La Habra, Buena Park, El Monte, Riverside, Colton, and Northridge.

The applications set forth rates which applicants propose to charge to the various destination points. The applications do not disclose nor is it clear how the proposed rates were arrived at.

By letter dated April 5, 1974, the California Trucking Association (CTA) advised that the applications involve rate considerations which could conceivably cause some delay in disposition, and as Procter & Gamble Company is most anxious to implement Tops Program as soon as possible it has no objection to an immediate interim order limited to a rule deviation order only. Attached to the letter is suggested language for the rule deviation. The applicants, Procter & Gamble Company, and the staff concur with the suggestion of CTA.

Subject to further review at a public hearing, it appears and the Commission finds that the proposal as to the rule deviation is reasonable. The Commission concludes that interim authority as set further in the ensuing order should be granted until further order of the Commission.

IT IS ORDERED that:

1. Basic Materials Transport is authorized to depart from the provisions of Minimum Rate Tariff 2 to the extent set forth in Appendix A attached hereto and made a part hereof.
2. Signal Trucking Service, Ltd. is authorized to depart from the provisions of Minimum Rate Tariff 2 to the extent set forth in Appendix B attached hereto and made a part hereof.
3. Public hearings shall be scheduled in these proceedings for receipt of evidence relative to the applications and full disposition thereof.
4. The authority granted herein shall continue in effect until further order of the Commission.

The effective date of this order is the date hereof.

Dated at Los Angeles, California, this 7th
day of MAY, 1974.

William J. Lyons, Jr. President
[Signature]
[Signature] Commissioners

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

APPENDIX A
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Carrier: Basic Materials Transport.

Shipper: Procter & Gamble Company.

Subject to the provisions of Notes 1 through 9, carrier owned pallets may be furnished to the shipper for subsequent transportation of palletized shipments of commodities named below. In such circumstances a charge of 3 cents per 100 pounds will be assessed on the weight on which freight charges are computed and such charge shall be in addition to all other applicable rates and charges provided in Minimum Rate Tariff 2.

Commodities: Cleaning, scouring, washing compounds, etc.
(48580, 48581)
Flour, prepared, edible (cake and muffin mix) (73030, 73060, 73080, 73100, 73120, 73140)
Oil, cooking or salad, NOI (144800)
Peanut Butter or Peanut Spread (74220)
Softeners, textile (176960)
Vegetable Oil Shortening (134530)

Origin: Procter & Gamble Company.
Sacramento, California

Destinations: Los Angeles Territory (as described in MRT 2, Item 270-3), Colton and Riverside.

- Note 1. Loading and unloading appointments, plus or minus 30 minutes, will be observed by both shipper and consignee.
- Note 2. Rate includes 120 minutes free time for loading and 120 minutes free time for unloading. Excess time is subject to charge in Item 145, MRT 2. Time will be computed from appointment time or time of arrival of carrier at loading or unloading facility whichever is later.
- Note 3. One stop in transit to part unload will be permitted. Charges in Item 173 of Minimum Rate Tariff 2 will apply.
- Note 4. Consignee will provide the necessary equipment (normally a pallet jack) needed for carrier employee to unload onto consignee dock or to place pallet at rear of carrier's trailer. Carrier's employee will not separate or hand stack cargo.

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- Note 5. Consignee will provide the same number of empty pallets of equal quantity and condition when unloading is completed. Time waiting for pallet exchange will be included in total time for unloading.
- Note 6. Shipper will provide the necessary equipment (electric pallet jack) for carrier's employee to place palletized cargo in carrier's trailers. Carrier employee will not stack nor separate cargo.
- Note 7. Shipper must indicate the number of pallets and weight thereof on bill of lading covering loaded movement, and must show reference to the shipping document and date of shipment of the inbound movement on the out-bound shipping document.
- Note 8. Freight charges for return of empty pallets to origin point of shipment will be at rates set forth in Item 330.6 of Minimum Rate Tariff 2 and will be for the account of the consignor.
- Note 9. The provisions of this item will apply only on 48 x 40 GMA four-way hardwood pallets.

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Carrier: Signal Trucking Service, Ltd.

Shipper: Procter & Gamble Company.

Subject to the provisions of Notes 1 through 9, carrier owned pallets may be furnished to the shipper for subsequent transportation of palletized shipments of commodities named below. In such circumstances a charge of 3 cents per 100 pounds will be assessed on the weight on which freight charges are computed and such charge shall be in addition to all other applicable rates and charges provided in Minimum Rate Tariff 2.

Commodities: Cleaning, scouring, washing compounds, etc.
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Oil, cooking or salad, NOI (144800)
Peanut Butter or Peanut Spread (74220)
Softeners, textile (176960)
Vegetable Oil Shortening (134530)

Origin: Procter & Gamble Company.
Long Beach, California

Destinations: Los Angeles, Santa Fe Springs, Corona, San Fernando, Vernon, Glendale, La Habra, Buena Park, El Monte, Riverside, Colton, and Northridge.

- Note 1. Loading and unloading appointments, plus or minus 30 minutes, will be observed by both shipper and consignee.
- Note 2. Rate includes 120 minutes free time for loading and 120 minutes free time for unloading. Excess time is subject to charge in Item 145, MRT 2. Time will be computed from appointment time or time of arrival of carrier at loading or unloading facility whichever is later.
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- Note 8. Freight charges for return of empty pallets to origin point of shipment will be at rates set forth in Item 330.6 of Minimum Rate Tariff 2 and will be for the account of the consignor.
- Note 9. The provisions of this item will apply only on 48 x 40 GMA four-way hardwood pallets.