

Decision No. 84004**ORIGINAL**

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
D & I Delivery Service Co. for  
authority to depart from the  
minimum rates, rules and regulations  
of Minimum Rate Tariff No. 2, pursuant  
to the provisions of Section 3666  
of the Public Utilities Code.

Application No. 55270  
(Filed October 28, 1974;  
amended November 22, 1974  
and December 6, 1974)

O P I N I O N

D & I Delivery Service Co., a California corporation, operates as a radial highway common and highway contract carrier throughout the State of California. Applicant here seeks a deviation from the minimum rates set forth in Minimum Rate Tariff 2 for the transportation of shipments weighing 100 pounds or less between points within a 75 air mile radius of Oakland.

The application states that a substantial portion of the traffic which applicant will handle has been generated from former customers of both Delivery Service Co. and ESP Delivery Service, Inc., both of which have now terminated long-established package delivery operations.

The relief sought herein is consistent with the Commission's position as expressed in J. S. Aaronson (1961) 58 CPUC 533:

"The ultimate issue herein is whether the petitioner should be exempted from the requirements of Minimum Rate Tariff 2. A granting of such exemption presupposes that the established minimum rates are not suitable, reasonable, or proper for the operations by petitioner. . . . We have found that minimum rates in Minimum Rate Tariff 2 are not the minimum reasonable rates for parcel delivery service by carriers wholly engaged in conducting parcel delivery operations and, hence, have exempted carriers

operating solely as parcel delivery carriers from said minimum rates. . . . Exemptions were first granted in 1939 by Decision No. 31606. Those carriers granted exemptions were common carriers maintaining tariffs naming the rates they assessed. Since that time, exemptions have been granted to highway permit carriers who do not maintain schedules of rates. Ordinarily the operating permits of those carriers have been restricted to the transportation of shipments not exceeding 100 pounds... It appears that such restriction is not sufficient to restrict the operation to a parcel service at parcel rates.

" . . . We are of the opinion that henceforth, whenever any highway carrier requests authority to depart from the provisions of the established minimum rates, the order granting such relief should prescribe the minimum rates to be assessed by that carrier in lieu thereof. In the case of a parcel delivery carrier, the establishment or approval of minimum parcel rates to be assessed by it will remove the possibility of any abuse of the exemption granted." (Emphasis supplied.)

The minimum rate exemption sought by applicant fully conforms with the criteria set forth in the Aaronson decision. Moreover, if the sought relief is granted, applicant would then enjoy an equality of competitive opportunity with other parcel delivery carriers serving the same general area.

The Commission finds that:

1. The rates, rules, and charges named in MRT 2 are not appropriate, reasonable, or otherwise proper for the parcel delivery service performed by D & I Delivery Service Co.
2. The sought exemption from the otherwise governing provisions of MRT 2 for the transportation of shipments weighing 100 pounds or less at rates and charges not less than those specified in Appendix A hereof has been shown to be reasonable.
3. The minimum rate exemption authority as proposed by applicant fully conforms with the criteria prescribed in Aaronson, supra.
4. A public hearing is not necessary.

The Commission concludes that Application No. 55270 should be granted to the extent set forth in the ensuing order.

O R D E R

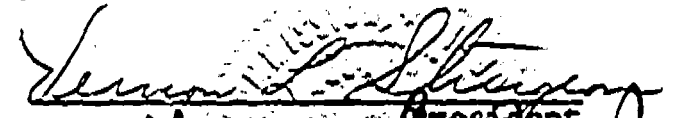
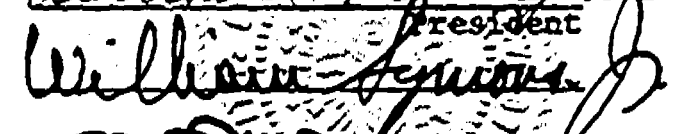
IT IS ORDERED that:

1. D & I Delivery Service Co. is authorized to transport shipments weighing 100 pounds or less at rates less than and different from the otherwise governing minimum rates to the extent and in the manner set forth in Appendix A attached hereto and by this reference made a part hereof.

2. The authority granted herein shall expire on December 31, 1975 unless sooner modified, canceled, or extended by order of the Commission.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 21st  
day of JANUARY, 1975.

  
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President  
  
\_\_\_\_\_  
\_\_\_\_\_  
Commissioners

APPENDIX A  
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D & I Delivery Service Co.  
Minimum Parcel Delivery Rates

Application

1. The rates set forth herein are applicable only to the transportation of packages weighing 100 pounds or less between points set forth herein.
2. The rate for the transportation of a package between points within the same zone, as described on the Zone Schedule attached hereto, shall be the rate provided in the attached Rate Schedule for that zone.
3. The rate for the transportation of a package between points in two zones shall be the rate applicable to the highest of the two zones, as prescribed in the attached Rate Schedule.

Rules

1. The rates herein apply only when the released value or declared value is 50 cents per pound or less, and the maximum value per package or article is \$100 or less.
2. Shipments transported under the rates herein are subject to all the provisions of Minimum Rate Tariff 2, except as provided herein.
3. The rates herein do not apply to same-day service.
4. An additional charge of \$0.75 will be assessed for each C.O.D. shipment received for collection.
5. If the carrier is unable to deliver any shipment because of incorrect address, shipper will be assessed a charge of 65 cents for either the subsequent delivery or carrier's attempt to deliver to correct address.
6. All charges must be paid by the shipper.

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D & I Delivery Service Co.  
Proposed Parcel Package Rates

Weight	Zones	
	1	2
1 - 10	.90	1.00
11	.95	1.06
12	.99	1.11
13	1.04	1.17
14	1.08	1.22
15	1.13	1.28
16	1.17	1.33
17	1.22	1.39
18	1.26	1.44
19	1.31	1.50
20	1.35	1.55
21	1.40	1.61
22	1.44	1.66
23	1.49	1.72
24	1.53	1.77
25	1.58	1.83
26	1.62	1.88
27	1.67	1.94
28	1.71	1.99
29	1.76	2.05
30	1.80	2.10
31	1.85	2.16
32	1.89	2.21
33	1.94	2.27
34	1.99	2.32
35	2.03	2.38
36	2.07	2.43
37	2.12	2.49
38	2.16	2.54
39	2.21	2.60
40	2.25	2.65
41	2.29	2.71
42	2.34	2.76
43	2.39	2.82
44	2.43	2.87
45	2.48	2.93
46	2.52	2.98
47	2.57	3.04
48	2.61	3.09
49	2.66	3.15
50	2.70	3.20
51	2.75	3.26
52	2.79	3.31
53	2.84	3.37
54	2.88	3.42
55	2.93	3.48

Weight	Zones	
	1	2
56	2.97	3.53
57	3.02	3.59
58	3.06	3.64
59	3.11	3.70
60	3.15	3.75
61	3.20	3.81
62	3.24	3.86
63	3.29	3.92
64	3.33	3.97
65	3.37	4.03
66	3.42	4.08
67	3.46	4.14
68	3.51	4.19
69	3.56	4.25
70	3.60	4.30
71	3.65	4.36
72	3.69	4.41
73	3.74	4.47
74	3.78	4.52
75	3.83	4.58
76	3.87	4.63
77	3.92	4.69
78	3.96	4.74
79	4.01	4.80
80	4.05	4.85
81	4.10	4.91
82	4.14	4.96
83	4.19	5.02
84	4.23	5.07
85	4.28	5.13
86	4.32	5.18
87	4.37	5.24
88	4.41	5.29
89	4.46	5.35
90	4.50	5.40
91	4.55	5.46
92	4.59	5.51
93	4.64	5.57
94	4.68	5.62
95	4.73	5.68
96	4.77	5.73
97	4.82	5.79
98	4.86	5.84
99	4.91	5.90
100	4.95	5.95

APPENDIX A  
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Zone Schedule

<u>Zone</u>	<u>City</u>	<u>Zone</u>	<u>City</u>
1	Agnew	2	Fairfax
1	Alameda	2	Fairfield
2	Alamo	1	Foster City
1	Albany	1	Fremont
1	Alum Rock	2	Greenbrae
1	Alviso	1	Hayward
2	Antioch	2	Hercules
1	Ashland	1	Hillsborough
2	Avon	1	Hillsdale
1	Atherton	1	Irvington
1	Bayshore	1	Kensington
1	Belmont	2	Kentfield
2	Belvedere	2	Lafayette
2	Benicia	2	Larkspur
2	Benicia Arsenal	2	Livermore
1	Berkeley	1	Los Altos
1	Berryessa	1	Los Altos Hills
2	Brentwood	1	Los Gatos
1	Brisbane	2	Marin City
1	Burlingame	2	Marinwood
1	Cambrian Park	2	Martinez
1	Campbell	1	Menlo Park
2	Carmichael	1	Millbrae
1	Castro Valley	2	Mill Valley
1	Centerville	1	Milpitas
2	Clayton	1	Mission San Jose
1	Colma	1	Monte Sereno
2	Concord	2	Moraga
2	Corte Madera	1	Moffett Field
2	Crockett	1	Monte Vista
1	Cupertino	1	Mountain View
1	Daly City	2	Napa
2	Danville	1	Newark
2	Davis	1	Niles
1	Decoto	2	Novato
2	Diablo	1	Oakland
2	Dixon	2	Oakley
2	Dublin	2	Orinda
1	El Cerrito		
2	El Sobrante		
1	Emeryville		
1	Evergreen		

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Zone Schedule (Contd.)

<u>Zone</u>	<u>City</u>	<u>Zone</u>	<u>City</u>
2	Pacheco	1	San Mateo
1	Pacifica	2	San Pablo
1	Palo Alto (East)	2	San Quentin
1	Palo Alto	2	San Rafael
1	Permanente	2	San Ramon
1	Piedmont	2	San Ramon Village
2	Pinole	1	Santa Clara
2	Pittsburg	2	Saranap
2	Pleasant Hill	1	Saratoga
2	Pleasanton	2	Sausalito
2	Port Chicago	2	Shore Acres
1	Presido (San Fran)	1	Stanford University
1	Redwood City	1	Sunnyvale
2	Rheem Valley	2	Sunol
1	Richmond	2	Terra Linda
2	Rodeo	2	Tiburon
2	Ross	1	Treasure Island
2	Sacramento	1	Union City
2	San Anselmo	2	Vacaville
1	San Bruno	2	Vallejo
1	San Carlos	2	Walnut Creek
1	San Jose	1	Warm Springs
1	San Francisco	1	West Lake
1	San Francisco (Air)	2	W. Sacramento
1	So. San Francisco	1	Woodside
1	San Leandro		
1	San Lorenzo		