

ORIGINAL

Decision No. 84918

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

Application of SOUZA'S MILK )  
 TRANSPORTATION CO., a Califor- )  
 nia corporation, for authority )  
 under Section 3666 of the )  
 Public Utilities Code of the )  
 State of California to deviate )  
 from the minimum rates for the )  
 transportation of dairy pro- )  
 ducts and related articles and )  
 returning empty carriers )  
 between certain points. )

Application No. 55781  
 (Filed July 1, 1975)

OPINION AND ORDER

Souza's Milk Transportation Co., a corporation, operates as a highway permit 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 dairy products and related articles for Foremost Foods Company (Foremost). Applicant requests ex parte action in this matter or interim relief in the event that a hearing is deemed necessary.

Applicant, since August 1, 1974, has been transporting shipments of dairy products and related articles under refrigeration for Foremost from its Fresno plant facility to its various distributors in Bakersfield, Coalinga, Delano, Hanford, Lemoore, Tulare and Visalia on a weekly schedule of five days per week, Friday and Saturday excepted.

Foremost has informed applicant that the rates and charges set forth in MRT 2 for the movement of its products between Fresno and its distribution points do not allow it to be competitive with other producers of dairy products who resort to proprietary operations or the use of carriers who hold deviation authority or other arrangements.

Applicant proposes truckload distance rates on mixed shipments of dairy products subject to MRT 2, as well as dairy products exempt from minimum rates as provided in Items 41 and 42 of MRT 2, from Fresno to Foremost's distributors located in Bakersfield, Coalinga, Delano, Hanford, Lemoore, Tulare and Visalia with split delivery privileges.

Applicant sets forth in Exhibits B, C and D of the application its direct labor costs, vehicle fixed expense, and running costs respectively. With these costs and expenses, it has calculated the direct cost per trip and the estimated revenue per shipment based on the proposed rates with split delivery charges included for various mileages. Applicant alleges that the overall operating ratio for various shipments at various minimum weights would be 81.41 percent. Exhibit F, Statement of Income Nine Months Ended September 30, 1974, shows a favorable operating ratio of 86.66 percent.

Copy of the application was mailed to California Trucking Association on or about July 1, 1975. The application was listed on the Commission's Daily Calendar of July 3, 1975. No objection to the granting of the application has been received.

The Commission finds that applicant's proposal is reasonable and concludes that the application should be granted as set forth in the ensuing order. Since the conditions under which service is performed may change at any time, the authority granted in the ensuing order will be made to expire at the end of one year unless sooner cancelled, changed or extended by order of the Commission.

IT IS ORDERED that:

1. Souza's Milk Transportation Co., a corporation, is authorized to transport dairy products and related products for Foremost Foods Company from the Foremost Fresno plant facility to Foremost


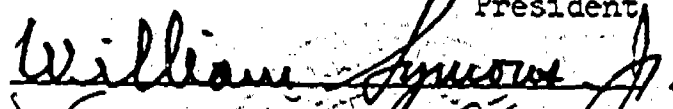


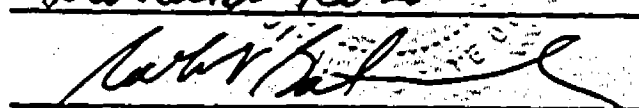
distributors located in Bakersfield, Coalinga, Delano, Hanford, Lemoore, Tulare and Visalia at rates less than the applicable minimum rates and charges, but not less than the rates and charges set forth in Appendix A, attached hereto and by this reference made a part hereof.

2. In all other respects, the provisions of Minimum Rate Tariff 2 shall apply.

3. The authority granted herein shall expire one year after the effective date of this order unless sooner modified.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 16th day of September, 1975.

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

## APPENDIX A

RATES IN CENTS PER 100 POUNDS

Subject to Six (6) Percent Surcharge

Dairy Products, including Butter, Cheese, Margarine and related products as described in Item 335.5, and Dairy Products and related products as described in Items 335.6 and 335.7 of Minimum Rate Tariff 2, in straight or mixed shipments. Rates include chill and/or frozen temperature control service and the return to origin of used empty carriers.

		<u>MINIMUM WEIGHT</u>		
<u>Constructive Miles</u>		24,000 Pounds	36,000 Pounds	45,000 Pounds
<u>Over</u>	<u>But Not Over</u>	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>
30	35	47	36	30
35	40	49	38	32
40	45	52	38	33
45	50	53	40	34
50	60	56	42	35
60	70	59	43	36
70	80	60	46	38
80	90	62	47	40
90	100	66	50	42
100	110	68	51	42
110	120	69	53	45
120	130	72	54	46
130	140	74	58	46
140	150	77	59	49
150	160	80	61	50

## APPENDIX A

## SPLIT DELIVERY CHARGES

Subject to six(6) percent surcharge.

1. For split delivery shipments transported under distance rates, when the distance computed does not exceed 100 constructive miles:

Weight of Component Part (Pounds)		Split Delivery Charge for Each Component Part in Cents
<u>Over</u>	<u>But Not Over</u>	
0	100 -----	355
100	250 -----	415
250	500 -----	435
500	1,000 -----	465
1,000	2,000 -----	610
2,000	4,000 -----	795
4,000	10,000 -----	900
10,000	-----	1010

2. For split delivery shipments, except as provided in paragraph 1:

Weight of Component Part (Pounds)		Split Delivery Charge for Each Component Part in Cents
<u>Over</u>	<u>But Not Over</u>	
0	100 -----	390
100	250 -----	470
250	500 -----	510
500	1,000 -----	715
1,000	2,000 -----	1035
2,000	4,000 -----	1270
4,000	10,000 -----	1480
10,000	-----	1720

(END OF APPENDIX A)