DC/gjw\*

## Decision No. <u>86483</u>

# ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of DONALD SHORES, JR., dba PACIFIC DISTRIBUTION AND TRUCKING, for authority to deviate from minimum rates for the transportation of flour and grain flour in bags and related items.

Application No. 56605 (Filed July 8, 1976)

#### OPINION AND ORDER

By this application, Donald Shores, Jr., doing business as Pacific Distribution and Trucking, requests authority to deviate from the provisions of Minimum Rate Tariff 2 in connection with the transportation of flour and grain flour in bags and related items from La Mirada to Union City for Winchell's Donut House.<sup>1</sup>

The application is based on special circumstances and conditions detailed therein.

Revenue and expense data submitted by applicant indicate that the transportation involved may reasonably be expected to be profitable under the proposed rate.

The application was listed on the Commission's Daily Calendar of July 12, 1976. California Trucking Association, by letter dated October 6, 1976, objected to the ex parte handling of this matter stating that (1) applicant's cost development is inadequate ("lump sum figures") (2) that the costs are on

<sup>1</sup> The present rate, exclusive of applicable surcharges, and proposed rate for 40,000-pound shipments of flour and related items are 110 cents per 100 pounds and 87 1/2 cents per 100 pounds, respectively.

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a one way basis only with no indication of related or assured backhaul traffic. However, (1) revenue and expense data submitted by applicant are sufficient to determine that the transportation involved may reasonably be expected to be profitable under the proposed rates (2) applicant has submitted supplemental information stating that backhauls are assured in all instances.

Applicant is placed on notice that, should his operations for Winchell's Donut House be between fixed termini or over a regular route, he should apply for a highway contract carrier permit.

In the circumstances, the Commission finds that applicant's proposal is reasonable. A public hearing is not necessary. The Commission concludes that the application should be granted as set forth in the ensuing order and the effective date of this order should be the date hereof because there is an immediate need for this relief.

#### IT IS ORDERED that:

1. Donald Shores, Jr. is authorized to perform the transportation shown in Appendix A attached hereto and by this reference made a part hereof at not less than the rate set forth therein.

2. The authority granted herein shall expire one year after the effective date of this order unless sooner cancelled, modified or extended by further order of the Commission.

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The effective date of this order is the date hereof. Dated at San Francisco, California, this <u>13</u><sup>2</sup> day of October, 1976.

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I dissent only because of the effective date Yerron L. Strengen Commissioner

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#### APPENDIX A

Carrier: Donald Shores, Jr., doing business as Pacific Distribution and Trucking.

Shipper: Winchell's Donut House 16424 Valley View, La Mirada

Commodity: Flour and grain flour in bags and related items as described in Lists 1 through 5 in Items 652 through 653 of Minimum Rate Tariff 2.

From: La Mirada

To: Union City

Rate: 87 1/2 cents per 100 pounds

Minimum Weight: 40,000 pounds

### Conditions:

- 1. If 40,000 pound minimum is not met at time of movement for each load, all provisions and rates of Minimum Rate Tariff 2 shall apply.
- 2. Commodities are to be palletized and shall be power loaded by the shipper and unloaded by the consignee without expense to the carrier or subhauler.
- 3. A minimum of three loads per week shall be required.
- 4. Applicant has not indicated that subhaulers will be engaged nor have any costs of subhaulers been submitted. Therefore, if subhaulers are employed, they shall be paid no less than the rate authorized herein without any deduction for the use of applicant's trailing equipment.
- 5, In all other respects the rates and rules in Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)