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ORIGINAL

Decision

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Merchants Home Delivery Service, Inc., a California Corporation, for a Certificate of Public Convenience and Necessity to operate as a highway common carrier for the transportation of property pursuant to Section 1063-1064 of the California Public Utilities Code.

Application 82-12-55 (Filed December 20, 1982)

O P I N I O N

Merchants Home Delivery Service, Inc. (applicant), a California corporation, is located in Oxnard, California. Applicant holds a highway contract carrier permit (T-95519). The application seeks a certificate of public convenience and necessity under Public Utilities (PU) Code § 1063 to operate as a highway common carrier for the transportation of general commodities between all points in the State of California except shipments whose origin and destination are both located within the Cities of Alameda, Albany, Berkeley, Emeryville, Oakland, Piedmont, or San Francisco. Applicant does not propose to establish through routes or joint rates with any connecting carriers. The proposed transportation will be on-call subject to shipper demand. The time in transit will be daily or overnight depending on the time of tender. If the authority is granted applicant proposes to participate in various bureau tariffs.

As of December 31, 1982 its balance sheet shows total assets of \$9,279,461. Included in this total are \$2,609,594 of accounts receivable. Applicant's auto and truck equipment is carried on the balance sheet at \$361,468. Applicant conducts extensive operations outside of California and this equipment is all based in

Texas. Its total liabilities are \$1,150,401. Its capital accounts are comprised of \$16,000 of capital stock and \$6,929,580 of retained earnings, plus \$1,183,479 of current profit.

Applicant specializes in the transportation of small shipments from stores to retail customers. Applicant asserts that such transportation is exempt from rate regulation. It is frequently offered other shipments subject to rate regulation, tendered by the same shippers; it turns them down because of the lack of appropriate contract filings. It alleges that such shipments when offered on short notice do not afford either carrier or shipper time to negotiate, sign, and file a contract. Applicant believes that it needs common carrier authority to serve these shippers properly. It has furnished a list of such shippers together with a Certificate of Service showing service of a copy of the application on each of them.

Applicant asserts that it would be a burden on both shipper and carrier to file contracts covering these transactions. Furthermore, these shippers for a variety of reasons do not wish to sign transportation contracts.

Applicant stated in Exhibit C of the application that it intends to utilize only the services of subhaulers to perform the transportation. It has furnished a list of active carriers whom it proposes to employ for this purpose.

The application was served on California Trucking Association and the Highway Carriers' Association. Notice of the filing of the application appeared in the Commission's Transportation Daily Calendar on December 24, 1982. No protests have been received.

On February 16, 1983 applicant sent a letter reducing its proposed service territory. As restated, its proposed operating territory would cover the Counties of:

Alameda
Contra Costa
Fresno
Imperial
Kern
Kings
Los Angeles
Madera
Marin
Merced

Monterey
Napa
Orange
Riverside
Sacramento
San Benito
San Bernardino
San Diego
San Francisco
San Joaquin

San Luis Obispo
San Mateo
Santa Barbara
Santa Clara
Santa Cruz
Solano
Sonoma
Stanislaus
Tulare
Ventura

Findings of Fact

1. Applicant possesses satisfactory fitness and financial responsibility to conduct the proposed transportation services.
2. Public convenience and necessity require the service proposed by applicant.
3. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
4. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.
5. A public hearing is not necessary.

Conclusion of Law

The application should be granted.

Only the amount paid to the State for operating rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Merchants Home Delivery Service, Inc., a California corporation, authorizing it to operate as a highway common carrier, as defined in PU Code § 213, between the points listed in Appendix A.

2. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs within 120 days after this order is effective.
- c. State in its tariffs when service will start; allow at least 10 days' notice to the Commission; and make tariffs effective 10 or more days after this order is effective.
- d. Comply with General Orders Series 80, 100, 123, and 147, and the California Highway Patrol safety rules.
- e. Maintain accounting records in conformity with the Uniform System of Accounts.
- f. Comply with General Order Series 84 (collect-on-delivery shipments). If applicant elects not to transport collect-on-delivery shipments, it shall file the tariff provisions required by that General Order.

- g. Comply with General Order Series 102 and 130. If applicant elects to engage subhaulers, applicant shall have the required bond on file, and applicant shall engage only highway carriers who hold appropriate operating authority granted by this Commission.

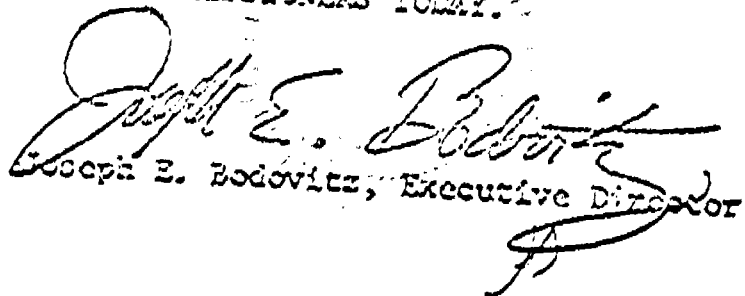
This order becomes effective 30 days from today.

Dated AUG 3 1983, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director

Merchants Home Delivery Service, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to conduct operations as a highway common carrier as defined in Public Utilities Code Section 213 for the transportation of general commodities as follows:

Between all points in the following counties:

Alameda	Monterey	San Luis Obispo
Contra Costa	Napa	San Mateo
Fresno	Orange	Santa Barbara
Imperial	Riverside	Santa Clara
Kern	Sacramento	Santa Cruz
Kings	San Benito	Solano
Los Angeles	San Bernardino	Sonoma
Madera	San Diego	Stanislaus
Marin	San Francisco	Tulare
Merced	San Joaquin	Ventura

Except that under the authority granted, carrier shall not transport any shipments of:

1. Used household goods and personal effects, office, store, and institution furniture and fixtures.
2. Automobiles, trucks, and buses, new and used.
3. Ordinary livestock.
4. Liquids, compressed gases, commodities in semiplastic form, and commodities in suspension in liquids in bulk in any tank truck or tank trailer.
5. Mining, building, paving, and construction materials, except cement or liquids, in bulk in dump truck equipment.

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Decision 83 08 015, Application 82-12-55.

6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
7. Portland or similar cements, either alone or in combination with lime or powdered limestone, in bulk or in packages, when loaded substantially to capacity.
8. Articles of extraordinary value.
9. Trailer coaches and campers, including integral parts and contents when contents are within the trailer coach or camper.
10. Fresh fruits, nuts, vegetables, logs, and unprocessed agricultural commodities.
11. Any commodity, the transportation or handling of which, because of width, length, height, weight, shape, or size, requires special authority from a governmental agency regulating the use of highways, roads, or streets.
12. Transportation of liquid or semisolid waste, or any other bulk liquid commodity in any vacuum-type tank truck or trailer.
13. Commodities and geographic areas exempt from rate regulation as described in Commission publication "Commodities and Geographic Areas Exempt from Rate Regulation" or successive reissues thereof.

Issued by California Public Utilities Commission.

Decision 83 08 015. Application 82-12-55.

14. Commodities whose origin and destination are both located within the territory comprised of the Cities of Alameda, Albany, Berkeley, Emeryville, Oakland and Piedmont.
15. Commodities whose origin and destination are both located within the City and County of San Francisco.

In performing the service authorized, carrier may make use of any and all public streets, roads, highways, and bridges necessary or convenient for the performance of this service.

(END OF APPENDIX A)

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Decision 83 06 015, Application 82-12-55.