

ORIGINAL

Decision No. 86713

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Adeline F. Mello and)
 Richard D. Mello, doing business as)
 Northern Refrigerated Transportation,)
 for authority to deviate from the)
 provisions of Minimum Rate Tariff #2)
 for the transportation of cheese and)
 cream cheese for Leprino Cheese Co.)
 between Tracy, Newman and the Los)
 Angeles area.)

Application No. 56317
 (Filed March 8, 1976;
 amended April 2, 1976)

Richard Mello, for Northern Refrigerated
 Transportation, applicant.
C. D. Gilbert and H. Hughes, for California
 Trucking Association; James R. Foote, for
 Independent Owner-Operators, Inc; and
George Raymond, for Bayview Trucking, Inc;
 interested parties.
Russell D. Corning, for the Commission staff.

O P I N I O N

Decision No. 85869 dated May 25, 1976 in Application
 No. 56317 granted Adeline F. Mello and Richard D. Mello, doing
 business as Northern Refrigerated Transportation, interim
 authority to deviate from the provisions of Minimum Rate Tariff 2
 when transporting cheese and cream cheese for Leprino Cheese
 Company from Tracy and Newman to Glendale and Santa Fe Springs.^{1/}

^{1/} The present minimum rate for a 48,000-pound split pickup
 shipment with temperature control service from Newman (28,000
 pounds) and Tracy (20,000 pounds) to Santa Fe Springs is \$1.09
 per 100 pounds, plus split delivery charges and applicable
 surcharges. The resulting charge amounts to \$579.26. The
 proposed charge for the aforementioned shipment would be \$480.

The authority, which is scheduled to expire with January 1, 1977, was granted pending hearing for the receipt of evidence relative to the final disposition of the application.

Public hearing was held before Examiner Gagnon on October 8, 1976 at Modesto. Extension of the authority granted by Decision No. 85869 is not opposed.

Applicant introduced updated cost and related financial data which indicate that the transportation under the existing authority has been most profitable. With assured backhaul traffic, applicant has been enjoying round-trip operating ratios ranging between 65 and 79 percent. Applicant's overall results of operations for the seven-month period ending July 1976 reflect an operating ratio of 85 percent.

Findings

1. The favorable circumstances and conditions attendant to the transportation performed by applicant for the Leprino Cheese Company are not generally present in the usual or ordinary transportation performed by highway carriers under the governing provisions of Minimum Rate Tariff 2.

2. Applicant's minimum rates and charges assessed for the transportation of cheese and cream cheese under the existing authority have been shown to be reasonable.

3. Extension of applicant's present deviation authority is justified.

Conclusions

1. The authority granted by Decision No. 85869 in this proceeding should be extended.

2. Since transportation circumstances and conditions may change, the deviation authority should be made subject to an expiration date of approximately one year.

O R D E R

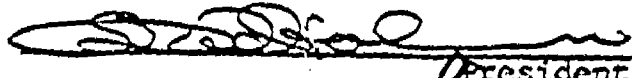
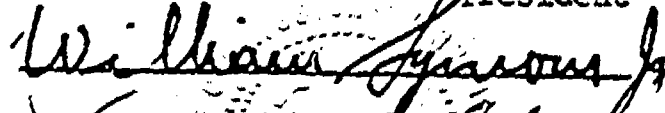
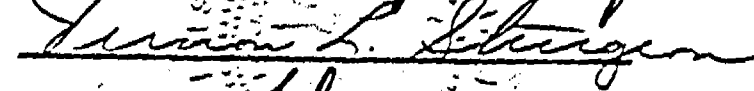

IT IS ORDERED that:

1. Adeline F. Mello and Richard D. Mello, doing business as Northern Refrigerated Transportation, are authorized to perform transportation as described in Appendix A, attached hereto and by this reference made a part hereof, at not less than the rates, rules, and charges specified therein.

2. The authority granted herein is in lieu of the authority granted by Decision No. 85869 and shall expire with December 31, 1977 unless sooner canceled, modified, or extended by order of the Commission.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 7th day of DECEMBER, 1976.


President


Vernon L. Sturgeon

Robert B. Brown
Commissioners

APPENDIX A

Adeline F. Mello and Richard D. Mello, doing business as Northern Refrigerated Transportation, are authorized to transport cheese and cream cheese in cases, cans, or cartons, for Leprino Cheese Company from Tracy and/or Newman to Glendale and/or Santa Fe Springs at the following rates:

1. A charge of \$480 per load shall be assessed, subject to a maximum weight of 48,000 pounds per load, for any single unit of carrier's equipment used.
2. This charge includes pickup at Tracy and/or Newman and delivery to Leprino Cheese Company, Santa Fe Springs, with one extra drop en route to Tuttle Cheese Company, Glendale.
3. This charge includes temperature control service.
4. All products shall be palletized, loaded, and unloaded by power equipment furnished by shippers and consignees at no cost to the carrier.
5. Loading at Newman or Tracy shall be accomplished in 45 minutes at each point. Time shall be computed from the period of the truck's arrival until products are loaded, billing is completed, and truck is ready to depart. All time in excess of 45 minutes shall be charged to the shipper at the rates provided in Item 145 of Minimum Rate Tariff 2.
6. Unloading time for consignee shall be 30 minutes at Glendale and 60 minutes at Santa Fe Springs. Excessive unloading time shall be charged at the rates provided in Item 145 of Minimum Rate Tariff 2.
7. If subhaulers are employed, they shall be paid no less than the rates authorized herein.
8. In all other respects, the rates and rules set forth in Minimum Rate Tariff 2 shall apply.