

Decision No. 88199 DEC 5 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of VANGUARD DELIVERY SERVICE,)
INC. for Authority to Depart)
from the Provisions of MRT 2,)
1-B and MRT 19 in connection)
with the transportation of pack-)
ages weighing 100 pounds or)
less.)

Application No. 57649
(Filed October 24, 1977)

OPINION AND ORDER

By this application Vanguard Delivery Service, Inc., a California corporation, requests authority to deviate from the provisions of Minimum Rate Tariffs 1-B, 2 and 19 in connection with the transportation of packages weighing 100 pounds or less between points set forth herein.

The applicant states that it performs a parcel delivery service competing with existing carriers which specialize in the transportation of small shipments or packages generally weighing less than 100 pounds; that in the past the Commission has granted to these carriers authority to assess rates and charges which are less than or at variance with the rates, charges and provisions of MRT 1-B, 2 and/or 19.

The Commission has heretofore granted similar authority to Peninsula Parcel Service, Inc. by Decision 80113, San Francisco Parcel Service, Inc. by Decision 80285 and Bus Express Service by Decision 78950.

Applicant states that since it must, of necessity, compete with these and other similarly situated carriers previously authorized by the Commission to assess rates and charges which are at variance with the rates, charges and provisions established in MRT 1-B, 2 and/or 19, it seeks herein similar rate relief which

is basically in accord with those charges now being assessed by the above described carriers pursuant to authority of this Commission. That in order to effectively compete with these carriers the applicant must, of necessity, have the rate relief sought herein.

Applicant further states that the need for a parcel type of service continues to increase, and it will respond to the needs of a substantial segment of the shipping public who have shipments generally weighing 100 pounds or less.

Applicant avers that since it is a newly formed corporation, it is not in a position to provide a profit and loss statement to the Commission; and, that it is in all respects financially fit and able to conduct the proposed operation as may be deemed necessary and proper in its circumstances.

The application was listed on the Commission's Daily Calendar of October 26, 1977. California Trucking Association (CTA), by letter dated November 10, 1977, protested the ex parte consideration of the application citing the following:

- (1) failure to meet the Commission's guidelines for filing,
- (2) failure to provide a profit and loss statement,
- (3) failure to indicate ability to operate profitably under the proposed rates,
- (4) failure to indicate a demand for the services and
- (5) failure to ask for a common expiration date applicable to all parcel delivery carriers.

CTA'S allegations are answered as follows:

- (1) applicant is requesting similar authority granted to other parcel carriers for which the Commission's guidelines were not designed,
- (2) applicant is a new company, without past operating experience,
- (3) applicant's proposed rates are higher than those authorized competing carriers, and applicant states he can operate profitably at the proposed rates,
- (4) applicant indicates there is a demand for his services, and
- (5) the common expiration date referred to by CTA is contained in ordering paragraph 2 of the decision.

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. Vanguard Delivery Service, Inc. 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 rates 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.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 6th day of DECEMBER, 1977.

I dissent.

William Szymon, Jr.

Robert Bateman

President

Vergon L. Sturgeon

Richard W. Howell

Clair T. DeLoach

Commissioners

APPENDIX A

VANGUARD DELIVERY SERVICE, INC.

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 listed on the Zone schedule herein, shall be the rate provided for Zone 1. The rate for the transportation of a package between points in two Zones, as listed on the Zone schedule herein, shall be the rate provided for Zone 2.

Rules:

1. There will be an additional charge of 85 cents for an address correction.
2. There will be an additional charge of 85 cents for each C.O.D. delivery (check or money order only).
3. There will be an additional insurance charge of 25¢ per hundred dollars (or fraction thereof) for declared value exceeding one hundred dollars (\$100.00), up to a maximum liability of \$2,000.00 per package. If value is not declared, then the maximum liability is \$100.00 per package. In all instances, liability is limited to declared value or actual value, whichever is less.

APPENDIX A

RATES:

These rates are applicable to the transportation of parcels weighing 100 pounds or less between points within Zones 1 or 2 and between Zones 1 and 2.

RATES IN DOLLAR AMOUNT

| <u>Weight Not to Exceed (Lbs.)</u> | <u>Zone 1</u> | <u>Zone 2</u> | <u>Weight Not to Exceed (Lbs.)</u> | <u>Zone 1</u> | <u>Zone 2</u> |
|------------------------------------|---------------|---------------|------------------------------------|---------------|---------------|
| 1 | .65 | .68 | 51 | 3.15 | 3.53 |
| 2 | .70 | .74 | 52 | 3.20 | 3.59 |
| 3 | .75 | .80 | 53 | 3.25 | 3.65 |
| 4 | .80 | .86 | 54 | 3.30 | 3.71 |
| 5 | .85 | .91 | 55 | 3.35 | 3.76 |
| 6 | .90 | .97 | 56 | 3.40 | 3.82 |
| 7 | .95 | 1.03 | 57 | 3.45 | 3.88 |
| 8 | 1.00 | 1.08 | 58 | 3.50 | 3.93 |
| 9 | 1.05 | 1.14 | 59 | 3.55 | 3.99 |
| 10 | 1.10 | 1.20 | 60 | 3.60 | 4.05 |
| 11 | 1.15 | 1.25 | 61 | 3.65 | 4.10 |
| 12 | 1.20 | 1.31 | 62 | 3.70 | 4.16 |
| 13 | 1.25 | 1.36 | 63 | 3.75 | 4.22 |
| 14 | 1.30 | 1.43 | 64 | 3.80 | 4.28 |
| 15 | 1.35 | 1.48 | 65 | 3.85 | 4.33 |
| 16 | 1.40 | 1.54 | 66 | 3.90 | 4.39 |
| 17 | 1.45 | 1.60 | 67 | 3.95 | 4.45 |
| 18 | 1.50 | 1.65 | 68 | 4.00 | 4.50 |
| 19 | 1.55 | 1.71 | 69 | 4.05 | 4.56 |
| 20 | 1.60 | 1.77 | 70 | 4.10 | 4.62 |
| 21 | 1.65 | 1.82 | 71 | 4.15 | 4.67 |
| 22 | 1.70 | 1.88 | 72 | 4.20 | 4.73 |
| 23 | 1.75 | 1.94 | 73 | 4.25 | 4.79 |
| 24 | 1.80 | 2.00 | 74 | 4.30 | 4.85 |
| 25 | 1.85 | 2.05 | 75 | 4.35 | 4.90 |
| 26 | 1.90 | 2.11 | 76 | 4.40 | 4.96 |
| 27 | 1.95 | 2.17 | 77 | 4.45 | 5.02 |
| 28 | 2.00 | 2.22 | 78 | 4.50 | 4.07 |
| 29 | 2.05 | 2.28 | 79 | 4.55 | 5.13 |
| 30 | 2.10 | 2.34 | 80 | 4.60 | 5.19 |
| 31 | 2.15 | 2.39 | 81 | 4.65 | 5.24 |
| 32 | 2.20 | 2.45 | 82 | 4.70 | 5.30 |
| 33 | 2.25 | 2.51 | 83 | 4.75 | 5.36 |
| 34 | 2.30 | 2.57 | 84 | 4.80 | 5.42 |
| 35 | 2.35 | 2.62 | 85 | 4.85 | 5.47 |
| 36 | 2.40 | 2.68 | 86 | 4.90 | 5.53 |
| 37 | 2.45 | 2.74 | 87 | 4.95 | 5.59 |
| 38 | 2.50 | 2.79 | 88 | 5.00 | 5.64 |
| 39 | 2.55 | 2.85 | 89 | 5.05 | 5.70 |
| 40 | 2.60 | 2.91 | 90 | 5.10 | 5.76 |
| 41 | 2.65 | 2.96 | 91 | 5.15 | 5.81 |
| 42 | 2.70 | 3.02 | 92 | 5.20 | 5.87 |
| 43 | 2.75 | 3.08 | 93 | 5.25 | 5.93 |
| 44 | 2.80 | 3.14 | 94 | 5.30 | 5.99 |
| 45 | 2.85 | 3.19 | 95 | 5.35 | 6.04 |
| 46 | 2.90 | 3.25 | 96 | 5.40 | 6.10 |
| 47 | 2.95 | 3.31 | 97 | 5.45 | 6.16 |
| 48 | 3.00 | 3.36 | 98 | 5.50 | 6.21 |
| 49 | 3.05 | 3.42 | 99 | 5.55 | 6.27 |
| 50 | 3.10 | 3.48 | 100 | 5.60 | 6.33 |

APPENDIX A

ZONE 1

Alameda
Albany
Alvarado
Atherton
Bayshore
Belmont
Berkeley
Berryessa
Brisbane
Burlingame
Cambrian Park
Campbell
Castro Valley
Colma
Cupertino
Daly City
Decoto
El Cerrito
Emeryville
Foster City
Fremont
Hayward
Hillsborough
Irvington
Los Altos
Los Gatos
Menlo Park
Milpitas
Mission San Jose

Moffett Field
Monta Vista
Monte Sereno
Mountain View
Mt. Eden
Newark
Nichols
Niles
Oakland
Palo Alto
Piedmont
Redwood City
Richmond
San Bruno
San Carlos
San Francisco
San Leandro
San Lorenzo
San Mateo
San Jose
Santa Clara
Saratoga
South San Francisco
Stanford
Sunnyvale
Sunol
Union City
Warm Springs

ZONE 2

Alamo
Antioch
Aptos
Aromas
Capitola
Carmel
Castroville
Coyote
Clayton
Concord
Danville
Diablo
Dublin
Fort Ord
Freedom
Gilroy
Lafayette
Livermore
Marina
Martinez
Monterey
Morgan Hill
Moraga
Moss Landing
Orinda
Pacheco
Pacific Grove
Pebble Beach
Pittsburg
Pleasanton
Pleasant Hill
Salinas
San Pablo
San Ramon
Santa Cruz
Santa Rita
Seaside
Soquel
Walnut Creek
Watsonville

Conditions:

1. 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 rates authorized herein without any deduction for use of applicant's trailing equipment.
2. In all other respects the rates and rules in Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)