

ORIGINAL

Decision No. 88330 JAN 10 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)
of Paul L. Davis, Inc., a Cal-)
ifornia corporation, doing busi-)
ness as D & N Transport Co., for)
authority to deviate from cer-)
tain minimum rates pursuant to)
Section 3666 of the California)
Public Utilities Code for trans-)
portation performed for BDP Com-)
pany, Carrier Air Conditioning)
Company, and Carrier Los Angeles)
Company, Division of Carrier)
Corporation.)

Application No. 57459
(Filed July 18, 1977)

OPINION AND ORDER

By this application, Paul L. Davis, Inc., a California corporation, doing business as D & N Transport Co. requests authority to deviate from the provisions of Minimum Rate Tariff 2 in connection with the transportation of furnaces, air conditioners, air coolers, evaporators, refrigeration condensers, compressors, and parts thereof, for BDP Company, Carrier Air Conditioning Company, and Carrier Los Angeles Company, all of which are divisions of Carrier Corporation, from the places of business of said companies located at City of Industry to all points and places within 150 miles of the City of Industry.¹

¹The present minimum charges and the proposed charges for representative shipments of furnaces, air conditioners, air coolers, evaporators, refrigeration condensers, compressors, and parts thereof, are:

<u>From</u>	<u>To</u>	<u>Present Charges</u>	<u>Proposed Charges</u>	
City of Industry	Any point 100 miles from City of Industry	\$177.60	\$159.84	(Truckload*)
		106.50	95.85	(Less Than Truckload)
		101.00	90.90	(Less Than Truckload on Furnaces only)

* Truckload shipments based on 24,000 pound minimum weight.

Applicant states that the involved products are power loaded by the shipper, in most cases are power unloaded by the consignees, and the trailers are spotted by the shippers prior to loading, thus requiring a minimum of labor to be furnished by applicant. Applicant avers that the shippers move the involved commodities on a regular basis from 3 to 10 times per day within 150 miles of the City of Industry for a daily volume exceeding 100,000 pounds. Applicant declares that, as a result of the volume and regularity of transportation for these shippers, the costs of transportation to applicant are less than those contemplated in the generalized rates of the Commission's minimum rate tariffs.

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

The application was listed on the Commission's Daily Calendar of July 21, 1977. California Trucking Association (CTA) objected to the ex parte handling of this matter stating that various examples in Item 11 of Exhibit D attached to the original application which sought statewide relief are noncompensatory, or would be compensatory only when considered in connection with a backhaul. In addition, CTA objected to a lack of provision for labor expenses in Exhibit 5, the cost study of owner-operator Joe Langford, and also objected to a lack of explanation as to how the driver's cost was determined in Item 11 of Exhibit D.

Applicant by amendment to the application has requested that the proposed deviation be limited to 150 miles of the City of Industry, thereby discarding that portion of Item 11, Exhibit D alleged by CTA to be noncompensatory. Applicant also stated that in connection with transportation subject to the amended application, only his own equipment will be used, eliminating Exhibits 4 and 5 pertaining to subhaulers' costs. Applicant's attorney responded to CTA's objection regarding driver's costs in Item 11 of Exhibit D by stating simply that the driver's costs represent the actual cost experienced by him, based upon actual roundtrip earnings.

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 rate relief.

IT IS ORDERED that:

1. Paul L. Davis, Inc., a California corporation, doing business as D & N Transport Co., 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 10th day of JANUARY, 1978.

I dissent.
William Snow Jr.

Robert Belmont

President

Vernon L. Stanger

Richard D. Sewall

Clare J. DeWitt

Commissioners

APPENDIX A

Carrier: Paul L. Davis, Inc., a California corporation, doing business as D & N Transport Co.

Commodities: Furnaces (National Motor Freight Classification 100-D, Item 26280)

Air Conditioners (National Motor Freight Classification 100-D, Item 26282)

Air Coolers or Air Conditioners O/T water (National Motor Freight Classification 100-D, Item 114120 Sub 2)

Evaporators or Refrigeration Condensers (National Motor Freight Classification 100-D, Item 123300 Sub 1)

Compressors (National Motor Freight Classification 100-D, Item 123300) and parts thereof.

Shippers: BDP Company, Carrier Air Conditioning Company, and Carrier Los Angeles Company, Divisions of Carrier Corporation.

From: The plants and facilities of the above-named shippers located at the City of Industry.

To: All points and places within 150 miles of the City of Industry.

Rate: Ninety percent (90%) of the applicable rates contained in Minimum Rate Tariff 2.

Conditions:

1. The above rates shall be subject to a minimum weight of 5,000 pounds per unit of carrier's equipment.
2. All surcharges as set forth in Minimum Rate Tariff 2 shall apply to these rates.
3. Applicant has indicated that subhaulers will not be engaged. 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.
4. In all other respects, the rates and rules in Minimum Rate Tariff 2 shall apply.