

ORIGINAL

Decision No. 89486 OCT 3 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
))
SHIMA TRANSFER CO.,)
))
a corporation, for authority to)
deviate from the minimum rates,)
rules and regulations of Minimum)
Rate Tariff No. 2, pursuant to)
the provisions of Section 3666)
of the Public Utilities Code, for)
transportation for COST PLUS,)
INC.)

Application No. 58328
(Filed August 31, 1978)

OPINION AND ORDER

By this application, Shima Transfer Co. requests authority to deviate from the provisions of Minimum Rate Tariff 2 by charging \$550 per load for "freight, all kinds" for Cost Plus, Inc. from South San Francisco to Torrance, Woodland Hills and La Puente.¹

Applicant states, "Cost Plus' inventory includes 17,706 different import items and approximately 2,500 different domestic items. To have to break out the freight descriptions and weights of all the individual items that would be included in transportation to the three stores in southern California would be an enormous task. The clerical time and the paper work, billing and auditing the charges for these many items that will be shipped would result in onerous and substantial costs."

Applicant also cites the additional special circumstances: (1) Cost Plus, Inc. will perform all loading and unloading using specially designed collapsible buggies and (2) all shipments are prepaid.

¹The charge of \$550 per load is equivalent to a rate of 110 cents per 100 pounds, 50,000 pounds minimum. The "freight not otherwise specified" minimum rate, for the same distance, would be 97 cents per 100 pounds, 50,000 pounds minimum. (FRANCIS NOVEMBER 5, 1978)

Wk

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 September 5, 1978. No objection to the granting of the application has been received.

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. 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. Shima Transfer 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 charge 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 3rd day of OCTOBER, 1978.

Robert Bateman
President

Vernon L. Sturgeon
Robert D. Howell
Clara T. DePaul
 Commissioners

I dissent.
William Quous-J.

APPENDIX A

Shipper: COST PLUS, INC.
Commodity: Freight, all kinds.
From: Cost Plus, Inc., warehouse at 720 Dubuque Avenue,
South San Francisco.
To: Cost Plus, Inc., retail stores at Torrance, Woodland
Hills and La Puente.
Charge: \$550.00 per load in a single unit of motor vehicle
equipment.

Conditions:

1. Single unit of motor vehicle equipment means tractor and two van-type trailers moving in combination, as a single unit.
2. Cost Plus, Inc., must perform all loading at origin and unloading at destination retail stores, and lading must move under shipper's seal and subject to its load and count.
3. Split pickup shipments are not allowed. Split delivery shipments will be limited to two deliveries, including final destination, at the charges provided in Item 173 of Minimum Rate Tariff 2. The provisions of Items 170 - 172 of Minimum Rate Tariff 2 will not apply to split delivery shipments.
4. All shipments shall be prepaid by Cost Plus, Inc.
5. Applicant plans to use A & B Transportation Services, Inc. as a subhauler for the transportation to Woodland Hills and La Puente at a remuneration of \$440 per load. If any other subhaulers are engaged, they shall be paid no less than \$550 per load without any deduction for use of applicant's trailing equipment.
6. In all other respects, the rates and rules of Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)