

DC-RI

Decision No. 90030 : FEB 27 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Family Freight)
Service for authority to deviate)
from minimum rates by elimination)
of charges set forth in Item 173)
Minimum Rate Tariff 2 for Split)
Delivery. Such deviation for)
transportation of Welding Products)
from San Leandro, California to)
Los Angeles Territory under)
written agreement with Airco Weld-)
ing Products, San Leandro, Cali-)
fornia. This authority sought)
under Section 3666 of the Public)
Utilities Code.)

Application No. 58516
(Filed December 8, 1978)

OPINION AND ORDER

By this application, Dennis W. Golding, doing business as Family Freight Service, requests authority to deviate from the provisions of Minimum Rate Tariff 2 by not assessing additional charges for split delivery service in connection with the transportation of welding products from San Leandro to Los Angeles.

Applicant states that all shipments will be power loaded by the shipper and power unloaded by the consignee thereby eliminating any further handling. Anticipated volume is four 40,000 pound shipments per week.

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 December 12, 1978. California Trucking Association (CTA), by letter dated January 10, 1979, objected to the ex parte consideration of the application stating the following:

"In addition to other deficiencies which may be found upon examination of the complete filing, applicant's sought relief is totally inconsistent with incurred costs of performing service. The filing would provide for the non-application of split delivery charges.

However, the performance of split delivery service is among the most costly special services which carriers can perform, and there is general industry recognition that the existing additional charges are wholly inadequate. It may be that applicant is merely endeavoring to reduce overall total charges by the mechanism of eliminating the split delivery. However, this is not explained, and there is nothing in the application to support the proposal as stated."

Applicant has responded to CTA's objections as follows:

"We have effectively serviced this shipper for seven or eight years. Inasmuch as I have personally had occasion (sic) to physically load, transport and deliver their product I can easily compare time, cost, utilization of equipment and ease of handling with other commodities we have transported. I believe the reasonableness of this request is adequately explained in Paragraphs 9 and 16 of subject application. Further, I have not requested to deviate from Item 145 for delays....

"The close proximity of Airco Distributors and the opportunity afforded this carrier to route deliveries prior to shipper loading of our trailers assures minimum amount of time to accomplish deliveries. A 40,000 pound shipment amounts to 13 pallets with a 10,000 pound drop amounting to 3 pallets requiring never more than 10 minutes to unload. It should be obvious that few commodities afford this ease in handling or utilization of equipment and personnel."

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. Dennis W. Golding, doing business as Family Freight Service, 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 27th
day of FEBRUARY, 1979.

John E. Ryan
President
Thomas L. Steyer
Charles D. Brock
Walter T. Sedwick
James M. Quinn
Commissioners

APPENDIX A

Carrier: Dennis W. Golding D.B.A. Family Freight Service
For: Airco Welding Products
Commodity: Welding products
From: San Leandro
To: Los Angeles Basin
Rates: Those set forth in Minimum Rate Tariff 2, except that the charges for split delivery service will not apply.

Conditions:

1. Shipments shall be power loaded and power unloaded without assistance of or expense to the carrier.
2. Shipments shall be limited to not more than four component parts.
3. Applicant has indicated that subhaulers will not be engaged. Therefore, if subhaulers are employed they shall be paid not 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.

(END OF APPENDIX A)