

ORIGINAL

Decision No. 90180 APR 10 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of PELLCO TRUCKING, INC., a)
corporation, for an order autho-)
rizing departure from the rates,)
rules and regulations of Minimum)
Rate Tariff No. 2 pursuant to)
the provisions of Section 3666)
of the Public Utilities Code,)
for the transportation of beer)
in cartons and kegs, from Fair-)
field, California to specified)
destinations and for the return)
of empties to Fairfield.)

Application No. 58604
(Filed January 17, 1979)

OPINION AND ORDER

By this application Pellco Trucking, Inc., a corporation, requests authority to deviate from the provisions of Minimum Rate Tariff 2 (MRT 2) in connection with the transportation of beer in cartons and kegs from Fairfield to various points in northern California.

The application is based on efficiencies that applicant has developed during its specialization in the handling of traffic of this commodity. Applicant has stationed a supervisor and an employee with a yard tractor at the shipper's plant. Scheduling and dispatching is facilitated by all power units being equipped with radio communication units. The supervisor, in programming the schedules, coordinates both the loading at origin and unloading at consignee's warehouses in order to maintain full utilization of the carrier's equipment, with a resultant minimal delay time. The yard tractor places all trailers at the loading platform and removes the loaded trailers to an open area in the shipper's yard. In this open area, line drivers drop their empty or "return movement" trailers and pick up the loaded trailers spotted there without delays. The loaded "return movement" of empty kegs, bottles and pallets generally is on a ratio of one "return movement" for approximately three-and-one-half full loads of beer transported.

The applicant has constructed a rate schedule to the various destination points which will result in reductions averaging 15 percent below the level of rates as set forth in Item 810 of MRT 2. This 15 percent reduction is arrived at by (a) a reduction in the actual rates, and (b) a reduction in the minimum weight per unit of equipment from 48,000 pounds to 46,000 pounds. This schedule of rates was arrived at after an analysis of the traffic flow and the loading and unloading characteristics of the transportation. The reduction in the minimum weight was deemed an equitable move as the carrier's equipment when fully loaded at this weight had no remaining floor space. These rates and resultant revenues based upon the expected volume of traffic should provide adequate compensation for the services rendered.

The application was listed on the Commission's Daily Calendar of January 18, 1979. No protests have been received.

The applicant seeks to utilize the services of one named subhauler. Detailed costs for this subhauler have been submitted and the net revenue to the subhauler reflected an inadequate division of revenue. Applicant has amended his exhibit increasing the division of revenue to be paid to the subhauler. The new increased revenue should be compensatory for the services which the subhauler will provide.

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. Pellico Trucking, Inc., a corporation, 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 canceled, modified or extended by further order of this Commission.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 10th day of APRIL, 1979.

John E. Bryson
President

Deanna L. Skye

Richard D. Howell

Alfred T. Salvi

James M. Quinn
Commissioners

APPENDIX A

Carrier: Pellico Trucking, Inc.
 Commodity: Beer, in kegs or cartons
 From: Anheuser Busch, Inc., Fairfield
 Minimum Weight: 46,000 pounds per unit of equipment transporting the shipment.

<u>Destination</u>	<u>Consignee</u>	<u>Rates in Cents per 100 pounds</u>
San Francisco	Bracco Distributing Co., Inc.	33
Oakland	Markstein Beverage Co.	33
Union City	Markstein Beverage Co.	42
Pittsburg	Markstein Beverage Co.	32
Sacramento	Markstein Beverage Co.	38
Stockton	Frey Distributing Co., Inc.	42
Modesto	Delta Brands, Inc.	44
Santa Rosa	Eagle Distributing	34
Napa	El Ray Distributing Company	28
Clear Lake Highlands	El Ray Distributing Company	50
Fort Bragg	Mendocino Coast Distributors	90
Watsonville	Couch Distributing Co., Inc.	59

Conditions:

1. Rates apply when shipments are power loaded and power unloaded by the shipper and consignee. If unloading time exceeds one hour, charges named in Item 145 of Minimum Rate Tariff 2 shall apply.
2. Applicant has indicated that Gary Heon (T-117,134) is to be engaged as a subhauler. If Gary Heon is used as a subhauler, he shall receive:

a) To:	To:	To:
San Francisco \$105	Stockton \$130	Fort Bragg \$280
Oakland 100	Modesto 137.50	Watsonville 190
Union City 130	Napa 87.50	
Pittsburg 100	Santa Rosa 107.50	
Sacramento 117.50	Clear Lake Highlands \$175	

APPENDIX A

Conditions:

3. Gary Heon shall be reimbursed for any bridge tolls or other charges accruing while engaged in traffic under this deviation.
4. If any other subhaulers are engaged, they shall be paid 100 percent of the rates authorized herein without any deduction for use of applicant's trailing equipment.
5. In all other respects, the rates and rules in Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)