

Decision No. 90744 AUG 28 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of ADAMS DELIVERY SERVICE, INC.)
for authority to deviate from)
the Minimum rates in connection)
with the local transportation of)
packages weighing 500 pounds or)
less.)

Application No. 58871
(Filed May 16, 1979)

OPINION AND ORDER

By this application, Adams Delivery Service, Inc. requests authority to deviate from the provisions of Minimum Rate Tariff 2 in connection with shipments weighing less than 500 pounds between points in the San Francisco-Oakland Bay Area.

The application is based upon the fact that applicant is presently assessing its shippers rates that are provided in Minimum Rate Tariff 2 which are much higher, for shipments weighing less than 100 pounds, than the rates assessed by its competitors under their deviation authorities. Applicant also seeks authority for packages weighing between 100 and 500 pounds. Applicant provides service in this area, for packages weighing between 100 and 500 pounds, in connection with its inbound distribution service.

Applicant declares the Commission has found on many occasions that the rates in Minimum Rate Tariff 2 are not the minimum reasonable rates designed to cover operations in connection with parcel deliveries (J. S. Aaronson, 1961, 58 CPUC 533).

The application was listed on the Commission's Daily Calendar of May 18, 1979. California Trucking Association (CTA) protested the ex parte consideration of the application, and stated that the granting of the application would provide Adams with a competitive advantage over general commodity carriers transporting shipments weighing between 100 and 500 pounds. Applicant has responded as follows:

"The statement in Paragraph IV that applicant would be in competition with general commodity carriers transporting shipments between 100 and 500 pounds is true to the extent that general commodity carriers do in fact handle such shipments. However, as the Commission is aware, the general commodity carriers aren't interested in handling the smaller shipments (up to 500 pounds) and the shipping public is suffering accordingly."

~~The Commission is not aware of suffering on the part of the shipping public due to inability to obtain service. It can be seen, nevertheless, that applicant~~ ^{applicant} does offer a specialized service which can be accomplished at lower cost for small shipments than are attainable by carriers who transport the wide range of general freight shipments. Revenue and expense data submitted in the application are sufficient to determine that the transportation involved may reasonably be expected to be profitable under the proposed rates. Km

In the circumstances, the Commission finds that applicant's operations involved herein are of a specialized nature differing substantially from those for which the established minimum rates were primarily designed and the proposed rates are reasonable for the transportation in question. 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. Adams 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.

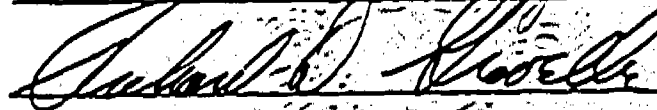
Dated AUG 28 1979, at San Francisco, California.



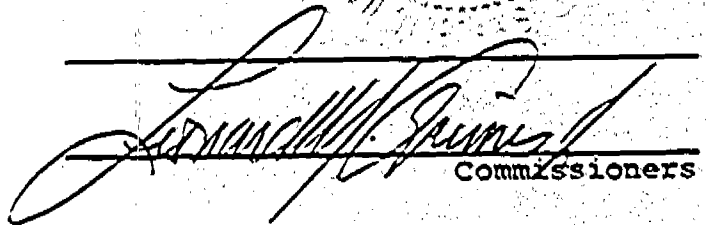
President



Commissioner



Commissioner



Commissioners

Commissioner Clair T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

ADAMS DELIVERY SERVICE, INC.

Application

1. The charges set forth herein are applicable to the transportation of shipments weighing 500 pounds or less between points set forth herein.

Rules

1. Maximum weight per package is 100 pounds.
2. Additional charge for C.O.D. delivery \$1.00 (Package only).
3. Another delivery charge will be made if the carrier is unable to deliver any shipment due to consignee requesting another delivery day, or it is redelivered to a correct address from an incorrect address, or shipment is refused and it is redelivered upon instructions from the shipper.
4. Claims for loss or damage in all cases will be paid up to the shipper's invoice price of a single package with a maximum claim of \$100.00 for any single package. Packages tied together in bundles, will be counted as a single package.
5. The charges herein do not apply to same day service. As used herein, the term means that no individual shipment can be delivered on the same day that it was initially picked up.
6. All parcels and shipments shall be prepaid by the shipper.
7. Except that the provisions of Items 176 through 179 will not apply, and except as provided herein, shipments transported under the charges herein are subject to all of the provisions of Minimum Rate Tariff 2.
8. 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.

APPENDIX A

Charges in Dollars per Shipment:

	<u>Charges</u>
Parcels 1 - 100 pounds (minimum charge is 3 pounds)	
Per package	.80
Per pound	
Zone 1	.069
Zone 2	.074
Shipments in pounds	
101 - 150	12.00
151 - 200	14.00
201 - 250	16.00
251 - 300	18.00
301 - 400	21.00
401 - 500	25.00

APPENDIX A

POINTS - Zone 1

Agnew	Fort Mason	Newark	San Jose
Alameda	Foster City	Niles	San Leandro
Albany	Fremont	Oakland	San Lorenzo
Alvarado		Oakland Army Base	San Mateo
Alviso	Hayward	Oakland Naval	Santa Clara
Atherton	Hillsborough	Supply	Saratoga
	Hillsdale		So. San Francisco
Belmont		Pacifica	Stanford
Berkeley	Kensington	Palo Alto	Stanford University
Brisbane		Piedmont	Sunnyvale
Burlingame	Los Altos	Portola Valley	
	Los Gatos	Presidio S.F.	Treasure Island
Campbell			
Castro Valley	Menlo Park	Redwood City	Union City
Colma	Millbrae	Redwood Shores	
Cupertino	Milpitas	Richmond	Westlake
	Moffett Field		Woodside
Daly City	Monte Vista	San Bruno	
	Monte Sereno	San Carlos	Yerba Buena Island
El Cerrito	Mountain View	San Francisco	
Emeryville		S.F. Int. Airport	

APPENDIX A

POINTS - Zone 2

Aerojet	Fair Oaks	Moraga	Sacramento
Alamo	Florin	Morgan Hill	Salida
Antioch	Foothills Farms		Salinas
Aptos	Fort Baker	Napa	San Anselmo
Auburn	Fort Barry	Newcastle	San Martin
Avon	Freedom	Novato	San Pablo
	French Camp	North Highlands	San Quentin
Belvedere		North Sacramento	San Rafael
Benicia	Galt		San Ramon
Brentwood	Gilroy	Oakley	Santa Cruz
Broderick	Grass Valley	Olivehurst	Santa Rosa
Bryte	Greenbrae	Orinda	Santa Venetia
		Orangevale	Sausalito
Cameron Park	Hamilton Field		Seaside
Capitola		Pacheco	Sebastopol
Carmel	Ignacio	Pacific Grove	Shingle Springs
Carmichael		Pajaro	Soquel
Castroville	Kentfield	Parkway Estates	Smartville
Chicago Park		Peardale	Stockton
Citrus Heights	Lafayette	Penngrove	
Clarksville	Larkspur	Penryn	Terra Linda
Colfax	Lathrop	Penn Valley	Tiburon
Concord	Lincoln	Petaluma	Tracy
Corte Madera	Livermore	Pinole	
Cotati	Lodi	Pittsburg	Union Hill
Coyote	Loomis	Placerville	
Crockett		Pleasant Hill	Vallejo
	Manteca	Pleasanton	Vacaville
Danville	Mare Island	Port Chicago	
Davis	Marina		Walnut Creek
Diamond	Marin City	Rancho Cordova	Watsonville
Dublin	Martinez	Rheem	Weimar
	Marysville	Ripon	West Sacramento
El Dorado Hill	Mather AFB	Rocklin	Wheatland
El Sobrante	McClellan AFB	Rodeo	Woodland
Elverta	Meadow Vista	Rohnert Park	
	Mill Valley	Rosemont	Yuba City
Fairfax	Modesto	Ross	
Fairfield	Monterey	Rough & Ready	

(END OF APPENDIX A)