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Decision No. 91137 DEC 18 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application) of Metropolitan Warehouse Company) to modify D.82558.

Application No. 59143 (Filed September 17, 1979)

OPINION

Metropolitan Warehouse Company, a California corporation, presently providing service as a highway common carrier for the transportation of general commodities between points within the Los Angeles Basin Territory, requests that its certificate be amended by adding the following restriction:

"10. Leasing of equipment with driver to a shipper(s) under written contract(s) for the exclusive use of a vehicle or combination of vehicles at hourly, daily, weekly, monthly or yearly vehicle unit rates."

Applicant alleges that the cost of operating vehicles at unit rates varies substantially with the type, size, and age of the equipment required by the contracting party, making it impracticable and uneconomical to publish the tariff rates necessary to meet the needs and requirements of contracting parties; and that the proposed restriction would enable applicant to provide such service pursuant to its contract carrier permit at or above established minimum rates, or where reasonable to request a deviation pursuant to Section 3666 of the Public Utilities Code.

Applicant misconstrues the nature of the operation it desires to have restricted from its operating authority. Rather than a lease, this service is for-hire transportation performed under a written agreement for an extended period of time, notwith-standing the fact that we may have referred to it by other descriptions in prior decisions. However, this type of operation is peculiarly susceptible to the contract carrier service and we will, therefore, grant the applicant's request.

A.59143 Notice of the application was published in the Commission's Daily Calendar on September 28, 1979. No protest has been received. Findings of Fact 1. Applicant is presently authorized as a highway common carrier to transport general commodities between points within the Los Angeles Basin Territory. 2. Applicant proposes to enter into leases for the exclusive use of equipment with driver at vehicle unit rates. 3. Because of the variety of circumstances involved in the leasing of equipment with driver, applicant does not intend to hold itself out to provide such service to the general public. 4. Public convenience and necessity no longer require applicant's service for transportation involving equipment with driver provided to a shipper(s) under written agreement for the exclusive use of a vehicle or combination of vehicles at hourly. daily, weekly, monthly, or yearly vehicle unit rates. 5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Conclusion of Law The Commission concludes that the application should be granted. However, such conclusion should not be construed as a policy determination with respect to future petitions to exempt certain transportation service from the requirements of public utility certificated operating authority. A public hearing is not necessary. ORDER IT IS ORDERED that: 1. Appendix A of Decision No. 82558 dated January 11, 1974. in Application No. 54573 is hereby amended by substituting First Revised Page 2, attached hereto and made a part hereof, in place of Original Page 2. -2-

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2. Within sixty days after the effective date hereof and on not less than five days notice to the Commission and to the public, applicant shall amend its tariff presently on file with this Commission to reflect the authority herein granted.

The effective date of this order shall be thirty days after the date hereof.

Dated <u>DFC 18 1979</u>, at San Francisco, California.

fc' Appendix A

METROPOLITAN WAREHOUSE COMPANY (a corporation)

First Revised Page 2
Cancels
Original Page 2

- 6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
- 7. Logs.
- 8. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.
- 9. Leasing of equipment with driver to a shipper(s) under written contract(s) for the exclusive use of a vehicle or combination of vehicles at hourly, daily, weekly, monthly or yearly vehicle unit rates.

Note A

LOS ANGELES BASIN TERRITORY

Los Angeles Basin Territory includes that area embraced by the following boundary: Beginning at the point the Ventura County-Los Angeles County Boundary Line intersects the Pacific Ocean; thence northeasterly along said county line to the point it intersects State Highway 118, approximately two miles west of Chatsworth; easterly along State Highway 118 to Sepulveda Boulevard; northerly along Sepulveda Boulevard to Chatsworth Drive; northeasterly along Chatsworth Drive to the corporate boundary of the City of San Fernando; westerly and northerly along said corporate boundary of the City of San Fernando to Maclay Avenue; northeasterly along Maclay and its prolongation to the Los Angeles National Forest Boundary; southeasterly and easterly along the Angeles National Forest and San Bernardino National Forest Boundary to Mill Creek Road (State Highway 38); westerly along Mill Creek Road to Bryant Street; southerly along Bryant Street to and including the unincorporated community of Yucaipa; westerly along Yucaipa Boulevard to Interstate Highway 10; northwesterly along Interstate Highway 10 to Redlands Boulevard; northwesterly along Redlands Boulevard to Barton Road; westerly along Barton Road to La Cadena Drive; southerly along La Cadena Drive to Iowa Avenue; southerly along Iowa Avenue to State Highway 60; southeasterly along State Highway 60 and U.S. Highway 395 to Nuevo Road; easterly along Nuevo Road via Nuevo and Lakeview to State Highway 79; southerly along State Highway 79 to State Highway 74; thence westerly to the corporate boundary of the City of Hemet; southerly, westerly, and northerly along said corporate boundary to the Atchison, Topeka & Santa Fe right-of-way; southerly along said right-of-way to Washington Road; southerly along Washington Road through and including the unincorporated community of Winchester to Benton Road; westerly along Benton Road to Winchester Road (State Highway 79) to Jefferson Avenue; southerly along Jefferson Avenue to U.S. Highway 395; southerly along U.S. Highway 395 to the Riverside County-San Diego

Issued by California Public Utilities Commission.

Decision No. 91137, Application No. 59143.