

Decision No. 91349 FEB 13 1980**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of Akey Delivery Service for a )  
deviation from the Minimum Rates )  
and Rules in MRT 2 in connection )  
with deliveries for Amfac Drug )  
Supply Co. )

Application No. 59303  
(Filed November 27, 1979)  
(Amended January 9, 1980)

OPINION AND ORDER

By this application, as amended, Akey Delivery Service, a general partnership,<sup>1/</sup> seeks authority to deviate from the provisions of Minimum Rate Tariff 2 for the transportation of small parcels for Amfac Drug Supply Co. from Santa Rosa to various points in Lake, Marin, Mendocino, Napa, Solano and Sonoma Counties.

Presently, applicant transports small lightweight packages of various drugs and pharmaceutical supplies, on a daily basis, from Amfac Drug Supply Co.'s warehouse to hospitals, pharmacies, laboratories and doctors in the aforesaid six counties.

Akey Delivery Service is domiciled and based in Santa Rosa. From the application the carrier contends that the present minimum rates do not lend themselves to the transportation of the commodities tendered by the shipper, for a number of reasons: (a) The commodities tendered vary in number, size and weight; (b) Prompt and speedy delivery is an important factor related to the articles transported; (c) Regular route scheduling cannot be applied to this type of delivery service; and (d) The multi-facit classification ratings of the drug and related commodities impose voluminous clerical work. The applicant contends that the potential large volume of business within the proposed service area and its commitment to the use of lightweight equipment indicate that the operation will be a profitable one. Applicant

<sup>1/</sup> This carrier is referred to in its issued Highway Carrier's Permit, dated November 27, 1979, as follows: Clifford M. Akey and J. Clyde Akey, doing business as Akey Delivery Service.

proposes that each shipment will be delivered within twenty-four (24) hours after pickup. From the facts presented it appears that the operation is of a specialized nature differing substantially from those for which the established minimum rates were primarily designed.

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 and amendment were listed on the Commission's Daily Calendars of November 29, 1979 and January 11, 1980, respectively. 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 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. Clifford M. Akey and J. Clyde Akey, doing business as Akey Delivery 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 canceled, modified or extended by further order of this Commission.

The effective date of this order is the date hereof.

Dated FEB 13 1980, at San Francisco, California.

Commissioner Leonard M. Grimes, Jr.,  
being necessarily absent, did not  
participate.

John E. Guyon  
President  
James L. Stungen  
Richard D. Stuck  
Clair T. Dierick

Commissioners

## APPENDIX A

Carrier: Akey Delivery Service, general partnership,  
Clifford M. Akey and J. Clyde Akey, doing  
business as.

Shipper: Amfac Drug Supply Co., Santa Rosa.

Origin: Santa Rosa

Destination: To points and places within Lake, Marin, Mendocino,  
Napa, Solano and Sonoma Counties.

Commodities: Pharmaceuticals, sundries, intravenous solutions,  
empty bottles, patient aids, and other such  
related articles.

## Rates:

From Santa Rosa  
To

Charges in Dollars and Cents  
Per 50 Pounds or a Fraction Thereof  
(Subject to certain conditions as set forth  
on pages 2 & 3)

Zone 1	\$2.65
Zone 2	2.90
Zone 3	3.15
Zone 4	3.40
Zone 5	3.65

Description of Zones

- Zone 1 - All points within a 20-air mile radius of point of origin.  
 Zone 2 - All points within a 20 to 40-air mile radius of point of origin.  
 Zone 3 - All points within a 40 to 60-air mile radius of point of origin.  
 Zone 4 - All points within a 60 to 80-air mile radius of point of origin.  
 Zone 5 - All points within a 80 to 100-air mile radius of point of origin.

Accessorial Charges  
Detention Time

The following charges shall be assessed, in addition to the charges set forth above, when carrier is detained in excess of a certain specified time, for pickup of a shipment, as agreed upon by both shipper and carrier:

Minutes in Excess of Agreed  
Departure Time

Charges in Dollars

<u>Over</u>		<u>(a) Not Over</u>	
0	-	10	No Charge
10	-	15	\$10.00
15	-	20	15.00
20	-	25	20.00
25	-	30	25.00

- (a) Any additional time in excess of thirty minutes, shall be assessed at the rate of one dollar (\$1.00) per minute or a fraction thereof.

Charges subject to following conditions:

1. Maximum weight per shipment shall be one hundred and fifty (150) pounds.
2. Each shipment shall be picked up and delivered in the same twenty-four (24) hour period, said delivery subject to consignee acceptance of said shipment.
3. The maximum size per package shall not exceed one hundred forty-one (141) inches for the sum of three (3) sides and sixty (60) inches in length.
4. A Charge of fifty (50) cents will be assessed for each C.O.D. shipment received for collection.
5. Each shipment requiring refrigeration shall be assessed a charge of one dollar and a half (\$1.50).
6. A charge of fifty (50) cents per minute shall be assessed from time of pickup to completion of delivery when a request is made for exclusive use of a single vehicle for a single shipment.
7. If during a calendar month two thousand (2,000) or more shipments are tendered, the following services shall be
  - a) Shipments requiring refrigeration.
  - b) C.O.D. shipments.

- 8. No delivery shall be made in excess of one hundred (100) air miles from point of origin.
9. A minimum charge of six thousand, five hundred dollars (\$6,500) per calendar month shall be assessed for all services provided.
10. Whenever subhaulers are engaged, they shall be paid not less than one hundred (100) percent of the applicable rates named in Minimum Rate Tariff 2.
11. Except as otherwise provided herein, the rules and regulations of Minimum Rate Tariff 2 shall govern.

(END OF APPENDIX A)