

ORIGINAL

Decision No. 56384

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's)
own motion to determine procedure)
and rules for the administration)
of Public Utilities Code Sections)
3575 and 1074, including amount,)
form and content of bond required)
thereby.)

Case No. 5670

No additional appearances on
December 4, 1957

O P I N I O N

Previous decisions of the Commission established General Order No. 102 (Decision No. 52462) and replaced it with General Order No. 102-A (Decision No. 55670, October 8, 1957). A further hearing was held on December 4, 1957, before Commissioner C. Lyn Fox and Examiner John Power at San Francisco.

This last hearing was called primarily for the purpose of revising procedures for the collection of amounts due from sureties. No evidence was offered, however, on this point. Those parties who had expressed interest in this phase of the proceeding did not present any evidence.

There was, however, a presentation by the California Dump Truck Owners' Association respecting an increase in the penalty sum of bonds issued in that field. The Association's manager called attention to the method of payment (monthly instead of weekly)

prevailing in their branch of the industry. The result of this is that overlying carriers handle large sums of money belonging to subhaulers. Overoptimism and illegal rate agreements (by overlying carriers) have resulted in losses to subhaulers.

The Commission is aware of the problems of the dump truck operators. We do not agree, however, that the subhauler bond is the exclusive remedy for them. Other avenues of administrative correction may be open and may be superior. On the other hand, there are strong objections to raising the penal sum in the bonds beyond the present level of \$5,000. In the first place, some carriers may be screened out by the higher requirements that would be imposed by sureties for bonds of larger denomination. In the second place, sureties might be required to determine at their peril just what is, and what is not, a dump truck operation. These burdens ought not to be imposed on private companies, which very definitely do not want them.

The Commission finds and concludes that no changes in General Order No. 102-A are necessary at this time.

In view of the fact that no further proceedings are presently contemplated herein the present investigation will be discontinued.

O R D E R

Public hearings having been held and the Commission basing its order on the findings and conclusions set forth in the foregoing opinion, and good cause appearing,

IT IS ORDERED that the Commission investigation, Case No. 5670, be, and it is, discontinued.

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

Dated at San Francisco, California, this 17th day of MARCH, 1958.

John E. Marshall
President
Robert L. Lintner
William D. Dool
E. L. Fox

Commissioners