

Docision No. 64276

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application) of 20th Contury Trucking Company) Applicat: a corporation to Amond Its Local) (Filed Ju Parcel Tariff, Cal.P.U.C. No. 3.)

Application No. 44586 (Filod Juno 25, 1962)

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OPINION AND ORDER

By this application, 20th Contury Trucking Company, a highway common carrier, seeks authority to increase certain parcel rates which it maintains for the transportation of cosmetics and drugs from Monrovia to points within a defined territory in southern l California. Applicant also seeks authority to publish the proposed rates on less than statutory notice and to depart from the long- and short-haul provisions of the Public Utilities Code to the extent necessary to effect the publication of the proposed rates.

The current parcel rates involved in this application were established by applicant effective August 10, 1960, as reduced rates designed to meet the rates of a competing carrier, United Parcel Service, Inc. The corresponding rates of the latter company were subsequently increased effective August 14, 1961, upon a finding by 2 the Commission that the increased rates were justified. It is to the level of the current rates of United Parcel Service, Inc., that applicant herein seeks to increase its parcel rates.

The proposed rates are set forth in detail in Paragraph VII of the application. The principal changes would be an increase of two cents per package in the "per package" charges, and an increase of one cent per pound for shipments to a portion of the delivery <u>territory proposed to be designated as Area B.</u>

The rates in question are contained in applicant's Local Parcel Tariff No. 1, Cal. P.U.C. No. 3, and apply only for packages weighing 50 pounds or less. Applicant is a highway common carrier of general commodities between various points in southernCalifornia, and is a participant in several tariffs not herein involved. 2 Decision No. 62344 dated July 25, 1961, in Application No. 42924.

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Applicant allogos that the proposed increased rates are necessary to offset increases in wages of drivers and terminal employees which have been incurred since the present rates were published. The application contains a schedule of cost increases in drivers' and terminal employees: wages during this period, from which it appears that the wages and fringe benefits have increased substantially. The operating results of the parcel service herein involved are not clearly determinable from the application, inasmuch as expense segregations are not maintained between this service and applicant's other services. Applicant estimates that the rate increase would result in increased revenue of \$2,240 on an annual basis. Based upon applicant's estimates for the parcel service alone, the present rates would result in a small operating loss and the proposed rates may be expected to produce a reasonable profit.

The vorified application shows that copies thereof were mailed on or about June 21, 1962, to all of applicant's shippers who are using the parcel rates in issue and to California Trucking Associations, Inc. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that the increased rates which applicant seeks to establish are justified. A public hearing is not necessary. Applicant will be authorized to establish the proposed rates and charges on ten days' notice to the Commission and to the public.

Good cause appearing,

IT IS ORDERED that:

1. 20th Contury Trucking Company is hereby authorized to publish and file the increased rates and charges and the revised tariff provisions as proposed in Application No. 44586.

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2. The tariff publications authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date hereof and on not less than ten days' notice to the Commission and to the public.

3. 20th Century Trucking Company is horoby authorized to depart from the long- and short-haul provisions of Section 460 of the Public Utilities Code, to the extent necessary to exercise the authority granted horoin; and that 20th Century Trucking Company in publishing rates under this authority shall make reference in its schedules to prior orders authorizing long- and short-haul departures and to this order.

4. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

This order shall become effective twenty days after the date hereof.

Dated at Los Angeles, California, this <u>1976</u> day of September, 1962.

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Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Everett C. McKeage, being necessarily absent, did not participate in the disposition of this proceeding.

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