

ORIGINAL

Decision No. 69593

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 TRANSCONTINENTAL BUS SYSTEM, INC.,)
 a Delaware corporation; AMERICAN)
 BUSLINES, INC., a Delaware corpora-)
 tion; and CONTINENTAL PACIFIC LINES,)
 a California corporation, for)
 authority to increase certain)
 express charges pursuant to)
 Sections 454 and 491 of the Public)
 Utilities Code.)

Application No. 47737
(Filed July 9, 1965)

O P I N I O N

Transcontinental Bus System, Inc. (Transcontinental),
 American Buslines, Inc. (American), and Continental Pacific Lines
 (Continental) seek to increase their local and joint intrastate
 rates and charges for the transportation of express shipments.
 Applicants are passenger stage corporations engaged in the transpor-
 tation of passengers, baggage and express within California and
 between California and other western states.

The express rates apply to shipments weighing 100 pounds
 or less transported from depot to depot in passenger bus equipment.
 The express rates are on a mileage basis, and are graduated according
 to the size of the shipment. Applicants seek to increase the express
 rates for distances of 400 miles or less, and to establish higher
 charges for oversized and light-and-bulky shipments. The present
 express rates were established in December, 1960, pursuant to
 Decision No. 61170 (58 Cal. P.U.C. 312).

The following table sets forth examples of the present and proposed mileage rates:

TABLE I
EXPRESS RATES

Miles	Shipment Weight in Pounds									
	2		5		25		55		85	
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
0-25	\$.85	\$1.00	\$.90	\$1.00	\$1.00	\$1.15	\$1.15	\$1.45	\$1.30	\$1.75
50-75	.90	1.00	1.00	1.10	1.20	1.40	1.60	1.90	2.00	2.40
100-125	1.00	1.00*	1.15	1.30	1.45	1.70	2.15	2.40	2.85	3.10
175-200	1.15	1.15*	1.40	1.60	1.75	2.00	2.55	2.85	3.40	3.65
250-300	1.30	1.30*	1.60	1.70	2.00	2.15	2.90	3.00	3.80	3.85
300-400	1.45	1.45*	1.70	1.75	2.25	2.25*	3.20	3.20*	4.20	4.20*

(1) Present rates
(2) Proposed rates
* No change in rates

Applicants also seek authority to eliminate from their tariffs mileages and rates from and to all nonagency stations. Under proposed tariff rules, charges to such points would be based upon rates to the next beyond point in the mileage log.

If the application is granted, applicants propose to cancel their present tariffs and to adopt National Bus Traffic Association Western Express Tariffs Nos. A-605-A (express rates and rules) and B-664-E (C.O.D. charges and rules). Applicants also propose to file a mileage log containing mileages between all agency stations to govern determination of the proposed express rates based on distance.

In support of the requested authority, the application states that since the date of the last increase (1960), applicants have incurred substantial increased labor costs, among other costs, thereby necessitating an increase in applicants' express rates. Attached to the application as Exhibit E is an analysis of the intra-state express shipments handled by Continental in California for

September, 1964, showing revenue earned under present and proposed rates and the increase in revenue from the proposed rates. This analysis shows that, for the express traffic handled in this period, revenues would be increased 9.65 percent under the proposed rates. The amount of revenue increase for this period would be \$95.90. The application states that the increased labor and other costs incurred by the applicants since the date of the last increase also apply to express service and the additional revenues will aid in offsetting the increased costs.

Financial statements are attached to the application. Applicants assert that the limited amount of express handled by them in California amounts to less than one percent of their total express revenues; therefore, the additional revenue to accrue from the proposed increases in rates will be nominal and will have no significant effect upon their net revenues and rates of return.

Applicants assert that the effect of this application will be to place their California intrastate express rates, with minor exceptions, on a parity with interstate express rates; and, in addition, will result in a simplification of billing and handling of express shipments. Granting of authorization will reduce applicants' costs of maintaining separate tariffs within the State of California by allowing applicants to have tariffs published by a central tariff publishing agent on a uniform basis. Applicants also believe that other common carriers operating in California will also adopt the uniform tariffs proposed herein. Applicants assert that the rates and charges proposed herein are substantially the same as authorized in Decision No. 68233, dated November 17, 1964, in Application No. 46757, to Greyhound Lines, Inc., Western Greyhound Lines Division.

The verified application indicates that it has been served in accordance with the Commission's procedural rules. No protest or request for hearing has been received. Applicants request that the application be granted ex parte.

It appears that the increases sought herein will do no more than return to applicants a small portion of the increased expenses which will occur because of known increases in wages and other operating expenses. The granting of the application will have a minimal effect on applicants' net revenues and earnings. The principal effect will be to make uniform applicants' intrastate and interstate express rates and to place such rates on a parity with those of Greyhound Lines, Inc.

We find that the proposed increased rates, charges and classifications will be reasonable and are justified. Except to the extent hereinafter indicated, the application should be granted. A public hearing is not necessary. Applicants request authority to publish the revised rates, rules and classifications on five days' notice. The order which follows will authorize such publication on ten days' notice.

The tariff proposed to be filed governing the handling of C.O.D. shipments does not conform to the requirements of General Order No. 34-F (Regulations Governing The Handling of Collect on Delivery Shipments and Accounting For Collection Made Thereon), effective June 1, 1965. The order which follows will authorize the filing of Tariff No. B-664-E, subject to the condition that the rules therein conform to said general order.

O R D E R

IT IS ORDERED that:

1. Applicants in Application No. 47737 are authorized to establish the increased express rates, rules and classifications proposed in the application as specifically set forth in Exhibit A thereof, except that rules governing the handling of collect on delivery (C.O.D.) shipments and the accounting for the collections made thereon shall conform to the requirements set forth in General Order No. 24-F.

2. 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 of this order on not less than ten days' notice to the Commission and to the public.

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

4. In addition to the required posting and filing of tariffs, applicants shall give notice to the public by posting in their terminals at which express traffic is accepted for shipment a printed explanation of their express rates and charges. Such notice shall be posted not less than five days before the effective date of the rate changes and shall remain posted for a period of not less than thirty days.

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

Dated at San Francisco, California, this 29th day of AUGUST, 1965.

Fredrick B. Holbrook
President
Arthur E. Smith
George E. Trover
Augustin
William A. Bennett
Commissioners