

ORIGINAL

Decision No. 74472

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Hills Transportation Co., under the Shortened Procedure)	Shortened Procedure
Tariff Docket to publish provisions resulting in increases due to proposed increase in truckload minimum charge in connection with class rates.)	Tariff Docket
)	Application No. 50276
)	(Filed May 29, 1968)

OPINION AND ORDER

By this application, Hills Transportation Co. (Hills) seeks authority to amend the truckload minimum charge provisions in its tariff by basing such charge at the applicable Class E rate and a minimum weight of 45,000 pounds for each trailer or semi-trailer bearing freight, which is subject to class rates.¹ The proposal will result in increases over the current truckload minimum charge, which is based on the applicable Class A rate and a minimum weight of 24,000 pounds for each trailer or semi-trailer.

According to the application, the proposed truckload minimum charge would guarantee applicant a certain amount of revenue when transporting freight which requires the full space carrying capacity of its equipment and the revenue derived from such transportation is not sufficient to meet the costs involved. Applicant declares that it would receive \$211.20 for transporting a fully loaded 35 foot semi-trailer from San Francisco to Los Angeles under the current truckload minimum charge and alleges that it cannot perform this service for this amount because of spiraling labor costs and accompanying out-of-pocket costs.

¹ The minimum charge is published in Item No. 305 of Hills Transportation Co. Local and Joint Freight Tariff No. 3, Cal. P.U.C. No. 2.

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Applicant states that revenue in the amount of \$238.50 would accrue to it for transporting the same fully loaded semi-trailer from and to the same points under the proposed truckload minimum charge. Applicant avers that the proposed minimum charge is more realistic than the current minimum charge and would assure it of the required revenue to meet the costs involved when its equipment is, in effect, in the exclusive use of a single shipper.

Applicant asserts that increases resulting from the proposal herein would not increase the California intrastate gross revenue of Hills by as much as one percent.

The application was listed on the Commission's Daily Calendar of May 31, 1968. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that increases resulting from publication of the truckload minimum charge as specifically proposed in the application are justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. Hills Transportation Co. is hereby authorized to publish in its Local and Joint Freight Tariff No. 3, Cal.P.U.C. No. 2, a truckload minimum charge based on the applicable Class 35.4 (formerly Class E) rate and a minimum weight of 45,000 pounds for each trailer or semi-trailer.

2. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and to the public.

3. 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 San Francisco, California, this 30th day of July, 1968.

William Lyndon J. Stullman
President

Fred P. Morrissey
Commissioners

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

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.