

ORIGINAL

Decision No. 76775

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)	Case No. 7857
for the purpose of considering and)	Petition for Modification
determining revisions in or reissues)	No. 23
of Minimum Rate Tariff No. 14-A.)	(Filed April 22, 1969;
		Amended July 24, 1969)

O P I N I O N

Commodity rates for the transportation of cotton, flax and safflower seeds (oilseeds) are set forth in Item No. 600 of Minimum Rate Tariff No. 14-A (MRT 14-A). In this petition, as amended, California Trucking Association (CTA) requests an ex parte order increasing the minimum rates on oilseeds by 3 percent, subject to a minimum increase of 1/4 cent.

Minimum rates on oilseeds initially were established by Decision No. 75044, dated December 3, 1968, and subsequently have not been adjusted.

Attached to the amendment to the application is the affidavit of the director of CTA's Transportation Economics Division. Said affidavit sets forth the conditions relied upon by CTA in seeking to increase the minimum oilseeds rates. According to the affidavit, the major element of expense incurred by highway carriers in the transportation of oilseeds is labor expenses. Said affiant states that, although the basis for drivers' wages varies widely throughout the state and a large number of the drivers are not subject to established wage agreements, drivers' wage costs have increased since the oilseed rates were established. Carriers also have incurred increases in payroll expenses. The affiant further states that the circumstance of increased costs on oilseeds

is closely related to the circumstance involved in the transportation of other agricultural commodities in MRT 14-A; the latter rates were subjected to increases averaging 3-1/2 percent pursuant to Decision No. 75426, dated March 18, 1969. The affiant alleges that the increased costs occurring since the oilseeds rates were established have an effect upon carrier costs of operation in excess of the rate relief sought; however, the nature of industry marketing patterns militate against any greater or different form of rate adjustment than that sought herein.

The Commission staff has prepared cost and rate studies (received herein as Exhibits 23-1 and 23-2, respectively) in response to the petition, as amended.^{1/} Exhibit 23-2 states that a field survey was made to determine if current conditions and circumstances respecting transportation of oilseeds were generally the same as those previously developed by the staff, and presented in evidence in the proceeding leading to the establishment of oilseed minimum rates. Assertedly, the current study confirmed the findings of the staff in the prior study. The cost estimates set forth in Exhibit 23-1 reflect changes in labor and related payroll costs as of April 1, 1969. Exhibit 23-2 states that, following analysis of the increases in the costs of transportation of oilseeds in truckload quantities, it appears that the three percent increase sought by the petitioner in its amended petition will result in reasonable minimum rates. The Commission staff recommends that adoption of petitioner's proposed rates be accorded ex parte handling, in the absence of protest.

^{1/} Said exhibits were served on all known interested parties.

Copies of the petition and amendment were served on known interested parties and notice of the filing of these pleadings also appeared on the Commission's Daily Calendar. There are no protests. A response from Wigle and Larimore, representing oilseed growers and shippers will be received herein as Exhibit 23-3. Said letter states that the shipper group and CTA have agreed that in increasing the existing rates, fractions will be disposed of to the nearest quarter-cent.

In the circumstances, the Commission finds that the proposed increases in rates on oilseeds are justified, and that such increased rates will result in just, reasonable and non-discriminatory rates for the services to which they applied. The formula for increasing rates requested in Exhibit 23-3 will be adopted. The petition, as amended, will be granted.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff No. 14-A (Decision No. 67397, as amended) is further amended by incorporating therein, to become effective March 21, 1970, Second Revised Page 34, attached hereto and made a part hereof.

2. Tariff publications required to be made by common carriers 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 the tenth day after the effective date of this order on not less than ten days' notice to the Commission and to the public and shall be made effective not later than March 21, 1970.

3. Common carriers, in establishing and maintaining the rates authorized hereinabove, are hereby authorized to depart from the provisions of Section 460 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are hereby modified only to the extent necessary to comply with this order; and schedules containing the rates published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

4. In all other respects Decision No. 67397, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 10th day of FEBRUARY, 1970.

William J. Lyons Jr.
President

Robert J. [illegible]

[illegible]

Vernon L. Sturgeon
Commissioners

SECTION 6--DISTANCE COMMODITY RATES (Concluded) (In Cents Per 100 Pounds)						ITEM
SEEDS, viz.: Cotton, Flax or Safflower.						
MILES		RATES	MILES		RATES	
Over	But Not Over		Over	But Not Over		
0	3	5½	140	150	23½	0600
3	5	6½	150	160	24½	
5	10	7	160	170	25½	
10	15	7½	170	180	26½	
15	20	8½	180	190	27½	
20	25	9	190	200	30	
25	30	9½	200	220	32	
30	35	10½	220	240	34	
35	40	11½	240	260	36	
40	45	12	260	280	38	
45	50	13	280	300	41½	
50	60	14	300	325	44½	
60	70	15	325	350	47½	
70	80	16	350	375	50½	
80	90	17	375	400	53½	
90	100	18	400	425	56½	
100	110	19	425	450	59½	
110	120	20	450	---	(1)	
120	130	21½				
130	140	22½				
(1) Add to rate for 450 miles, 03 cents per 100 pounds for each 25 miles or fraction thereof.						
END OF TARIFF						
o Increase, except as noted) o No change) Decision No. 76775						
EFFECTIVE						
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA						
Correction 92						