

Decision No. 77090**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into the rates, rules, regulations, charges, allowances and practices of all common carriers, highway carriers and city carriers relating to the transportation of any and all commodities between and within all points and places in the State of California (including, but not limited to, transportation for which rates are provided in Minimum Rate Tariff No. 2).

Case No. 5432
Petition for Modification
No. 576
(Filed March 5, 1970)

In the Matter of the Application of POZAS BROS. TRUCKING CO., a corporation, for an order authorizing departure from the rates, rules and regulations of Minimum Rate Tariff No. 2, under the provisions of Section 3666 of the Public Utilities Code.

Application No. 51754
(Filed March 5, 1970)

OPINION AND ORDER

By Decision No. 75560, dated April 15, 1969, Pozas Bros. Trucking Co., a corporation, was authorized to assess specified hourly rates in lieu of those otherwise applicable for special expedited service of shipments having origin or destination within 10 miles of Sunnyvale. On commodities and between points which it serves as a highway common carrier, said hourly rates are published in its own tariff. For other commodities and between other points, the authority was granted to applicant as a highway permit carrier to apply on shipments transported for Westinghouse Electric Corporation. These authorities are scheduled to expire with April 30, 1970.

By this petition and application, Pozas Bros. Trucking Co., hereinafter referred to as applicant, seeks modification and extension of the current authority for an additional one-year period. Applicant requests that the existing authority be modified by increasing the rates for 1 1/2-ton equipment from \$10.75 to \$11.25 per hour and for 3 1/2-ton equipment from \$11.75 to \$12.25 per hour, and by extending the authorized service as a common carrier to include shipments originating at Visalia^{1/} and as a permitted carrier to include shipments for Westinghouse Electric Corporation from said company's plant in Visalia.

The application states that, with the exception of labor costs, the facts and circumstances which justified the granting of the current authority continue to exist at the present time; that prevailing agreements with locals of the teamsters' unions which control the wages and benefits paid by applicant expired March 31, 1970 and are subject to negotiations; that the proposed increases in the hourly rates are to offset anticipated increases in labor costs; and that in the event the negotiations should result in additional labor costs, applicant will immediately file a request to further increase said rates accordingly.

The application asserts that Westinghouse Electric has a plant in Visalia; that applicant currently serves this plant through its regular pickup operation from its Fresno terminal; that said plant requires the identical type of expedited service

^{1/} Applicant is authorized by its highway common carrier certificate to serve, among other places, points located on U. S. Highway 99 between Manteca and the Los Angeles Basin Territory Decision No. 62865 in Application No. 43083, unreported (1961). The Commission has been informed by applicant's attorney that the City Limits of Visalia have been extended to said highway.

which is accorded by applicant at Sunnyvale; and that applicant can provide this service at Visalia at the same cost as is incurred at Sunnyvale and points within ten miles thereof.

The proposed rates involved herein are hourly rates applicable to expedited service requiring special trips. Although differing in unit of measurement from the minimum rates otherwise applicable, which are stated in cents per 100 pounds, the hourly rates in general may be expected to produce charges greater than those which would result under the minimum rate tariff. The special rate authorities, heretofore granted to applicant and herein proposed to be continued, were and will be conditioned by the provision that in no event shall the charges determined thereunder be less than those determined on the basis of the applicable minimum rates provided in the currently effective minimum rate orders of the Commission.

A balance sheet and income statement attached to the application indicate that applicant's overall operations have been profitable. However, no revenue and expense data relating specifically to the transportation in issue at the sought rates have been included with the application. In this connection, the application states that appropriate cost studies will accompany applicant's request for any additional increases in the sought rates that may be necessary following completion of the aforementioned labor negotiations.

The certificate of service shows that a copy of the petition and application was mailed to California Trucking Association and C-N-C Motor Freight System, on March 2, 1970. The petition and application were listed on the Commission's Daily Calendar of

March 6, 1970. No objection to the granting of the petition and application has been received. A public hearing is not necessary.

It appears, and the Commission finds, that under current operating conditions experienced by applicant and the increases in labor costs anticipated by it, the proposed rates would be reasonable for the transportation in issue. However, should the negotiations referred to above result in substantially greater increases in labor costs than those anticipated by applicant, the sought rates may cease to be reasonable. Because of this uncertainty, the authority granted herein will be limited to a period of six months.

Applicant is placed on notice that any request for a further extension of the deviation authority granted herein will not be considered unless appropriate revenue and expense data relating to the transportation in issue accompany such request.

In view of the impending expiration date of the current authorities, the order which follows will be made effective on April 22, 1970.

IT IS ORDERED that:

1. Pozas Bros. Trucking Co., a corporation, is hereby authorized to publish and file the rates and rules for Special Expedited Service set forth in Appendix A attached hereto and by this reference made a part hereof. The rates and charges authorized herein shall be published to expire with October 31, 1970.

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 five days after the effective date hereof on not less than five days' notice to the Commission and to the public.

3. Pozas Bros. Trucking Co., a corporation, is hereby 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 herein.

4. Pozas Bros. Trucking Co., a corporation, is hereby authorized to transport property, as a highway permit carrier, for Westinghouse Electric Corporation in operations not covered by its highway common carrier certificate at the rates and subject to the rules set forth in Appendix B attached hereto and by this reference made a part hereof. The rates and charges authorized herein shall be in lieu of, but not less than, the minimum rates otherwise applicable.

5. The authority granted in ordering paragraph 4 above shall, on and after April 30, 1970, supersede the authority granted by Decision No. 75560 and shall expire with October 31, 1970.

This order shall become effective on April 22, 1970.

Dated at San Francisco, California, this 14th
day of APRIL, 1970.

William S. Squire, Jr.
President

Michael J. Stanger
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

RATES AND RULES FOR SPECIAL EXPEDITED SERVICE
PERFORMED BY POZAS BROS. TRUCKING CO.

SPECIAL EXPEDITED SERVICE

Upon request of shipper or consignee, expedited service requiring a special trip will be rendered by carrier and the following charges and provisions (a) to (e) will be applicable to such transportation:

<u>Rated Capacity of Equipment (Tons)</u>	<u>Rates (Cents per Hour)</u>
1-1/2	1125
3-1/2	1225

- (a) Minimum charge shall be the rate for one hour or the charge accruing at the class rate applicable to such shipment as provided in Sections 1 and 1-A of this tariff, whichever is greater.
- (b) Time shall be computed from the time equipment departs from carrier's established terminal until it returns thereto.
- (c) Shipments shall not exceed 5,000 pounds in weight and equipment shall be utilized by a single shipper or consignee.
- (d) Rates named in this item apply for service performed during regular working hours of 8:00 a.m. through 5:00 p.m., except Saturdays, Sundays and the following holidays: New Year's Day, Washington's Birthday, Decoration (Memorial) Day, Fourth of July, Labor Day, Admission Day, Thanksgiving Day and Christmas. When such holidays fall on Sunday, the following Monday shall be considered a holiday. For services performed at the request of the shipper or consignee at other than said regular working hours and on Saturdays, Sundays and holidays shown, an additional charge equal to the actual additional overtime cost will be made.
- (e) This item is applicable only to movements having origin or destination within ten (10) miles of Sunnyvale and to movements having origin in Visalia.

(End of Appendix A)

APPENDIX B

RATES AND RULES FOR SPECIAL EXPEDITED SERVICE
PERFORMED BY POZAS BROS. TRUCKING CO.

SPECIAL EXPEDITED SERVICE

Upon request of shipper or consignee, expedited service requiring a special trip will be rendered by carrier and the following charges and provisions (a) to (f) will be applicable to such transportation:

<u>Rated Capacity of Equipment (Tons)</u>	<u>Rates (Cents per Hour)</u>
1-1/2	1125
3-1/2	1225

- (a) Minimum charge shall be the rate for one hour.
- (b) Time shall be computed from the time equipment departs from carrier's established terminal until it returns thereto.
- (c) Shipments shall not exceed 5,000 pounds in weight and equipment shall be utilized by a single shipper or consignee.
- (d) Rates named in this item apply for service performed during regular working hours of 8:00 a.m. through 5:00 p.m., except Saturdays, Sundays and the following holidays: New Year's Day, Washington's Birthday, Decoration (Memorial) Day, Fourth of July, Labor Day, Admission Day, Thanksgiving Day and Christmas. When such holidays fall on Sunday, the following Monday shall be considered a holiday. For services performed at the request of the shipper or consignee at other than said regular working hours and on Saturdays, Sundays and holidays shown, an additional charge equal to the actual additional overtime cost will be made.
- (e) This item is applicable only to movements having origin or destination within ten (10) miles of Sunnyvale and to movements having origin in Visalia.
- (f) In no event shall the charges determined under the above provisions be less than the applicable minimum rates provided in currently effective minimum rate orders of the California Public Utilities Commission.

(End of Appendix B)