ORIGINAL

Decision No. 77553

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Sheedy Drayage Co., under the Shortened Procedure Tariff Docket, to increase rates and charges for Special Equipment, as provided in Items 114, 185, 420, 443, 450 and 460 of its Local Freight Tariff No. 1, Cal. P.U.C. No. 2,

AND

For authority to depart from the terms of)
Sections 460 and 454 of the Public Utilities)
Code in accomplishing proposed publication.

Shortened Procedure Tariff Docket Application No. 51920 (Filed May 25, 1970)

OPINION AND ORDER

By this application, Sheedy Drayage Co., a highway common carrier, seeks authority to increase its rates and charges for (1) furnishing power equipment, special loading and unloading equipment, excess trailing equipment and extra labor; (2) subsistence for carrier's employees when detained on a jobsite overnight; (3) travel time for carrier's employees when the carrier's equipment is detained at a jobsite overnight or on Saturdays, Sundays and holidays; and (4) transportation of commodities of unusual size or weight when such transportation is performed by use of low-bed or other heavy duty equipment. Applicant also requests authority to depart from the long- and short-haul provisions of Section 460 of the Public Utilities Code in publishing such rates and charges.

The current rates and charges which are published in Items 114, 185, 420, 438, 443, 450 and 460 of Sheedy Drayage Co. Local Freight Tariff No. 1, Cal. P.U.C. No. 2, are set forth in Exhibit "B" attached to the application. The proposed rates and charges are set forth in detail in Exhibit "C" attached to the application.

Applicant states that the rates and charges for the aforementioned services are based on 1968 wage and payroll costs and that the cost of transporting property by motor vehicles, including extra labor in connection therewith, was increased in 1969 and again more substantially in 1970 in accordance with union contracts. Applicant avers that labor costs have increased on an average of 17 percent for the various classes of employees involved since May 23, 1969, the date that the rates were last increased generally. Applicant states that legislative action concerning unemployment and compensation insurance contributions has also resulted in increases in the carrier's cost of operation. According to applicant, the current rates and charges for the services in question are now noncompensatory. Applicant alleges that such increased labor costs were recognized by the Commission when increases were authorized in connection with various minimum rate tariffs.

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

The application was listed on the Commission's Daily Calendar of May 26, 1970. No objection to the granting of the application has been received.

Rates for furnishing excess trailing equipment were last adjusted on February 5, 1965.

See Decision No. 77064 dated April 14, 1970, in Case No. 5432 (Petition for Modification No. 581) et al.

Commission staff analysis discloses that the sought increases in rates and charges would apply to transportation, which is exempt from the application of the Commission's minimum rates. Such increases are required to offset increased labor costs and are commensurate with those, which have been authorized by the Commission for certain non-exempt transportation. The staff recommends that the application be granted by ex parte order.

In the circumstances, it appears, and the Commission finds, that increases resulting from publication of the rates and charges as 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. Sheedy Drayage Co. is hereby authorized to publish increased rates and charges in its Local Freight Tariff No. 1, Cal.P.U.C. No. 2, as proposed in the application.
- 2. Tariff publications authorized to be made as a result of the order herein shall be filed not carlier than the effective date of this order and may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.
- 3. Sheedy Drayage Co., in establishing and maintaining the provisions authorized hereinabove, is 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 provisions published under this authority shall make reference to the 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 ten days after the date hereof.

Dated at San Francisco, California, this ______ day of July, 1970.

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