

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 petroleum and petroleum products in bulk (commodities for which rates are provided in Minimum Rate Tariff No. 6-A).

Case No. 5436 (Petition for Modification No. 99) (Filed July 14, 1970) (Amended July 15, 1970)

INTERIM SURCHARGE SUPPLEMENT AND ORDER

(Applicable to Minimum Rate Tariff No. 6-A)

To be applied to the total transportation charges resulting under this tariff except charges resulting from the use of railhead-to-railhead rates under the alternative application of common carrier rates.

Petitioner, California Trucking Association, seeks immediate relief to offset substantial wage increases established retroactive to July 1, 1970. It is alleged that increases in the new labor contract amount to 76.5 cents per hour which will increase carrier operating costs by 12.1 percent. Petitioner asserts that the latest available financial information indicates that, under the new labor contract, carriers will not be able to meet their financial obligations nor to provide adequate service to the public without additional revenues.

The Commission finds that for-hire carriers have incurred increased labor costs as of July 1, 1970. The Commission concludes that, until further order of the Commission, charges under the minimum rates involved herein should be increased as set forth in the following order. Public hearings will be scheduled to receive additional evidence in this matter and to consider rate scales appropriate to replace the interim surcharge.

The order which follows will amend Minimum Rate Tariff No. 6-A and will be filed as a supplement to said tariff.

IT IS ORDERED that:

1. Minimum Rate Tariff No. 6-A is further amended to provide that charges resulting thereunder (except the charges resulting from the use of railhead-to-railhead rates under the alternative application of common carrier rates) shall be increased as follows:

- A. Rates and charges in Section 4: (1) Increase by 75 cents per hour or one cent per mile, those rates required to be assessed for all time that a driver or drivers are assigned to operate the vehicle. (2) No increases on other rates and charges in Section 4. B. All other provisions of the tariff: (1) Increase by 75 cents per hour, each hourly charge used in computing the transportation charges. (2) Increase all other rates and charges by 7 percent.

Such increased charges are to become effective August 28, 1970. Fractions of less than one-half cent shall be dropped; fractions of one-half cent or greater shall be increased to one cent.

2. Common carriers subject to the Public Utilities Act to the extent that they are also subject to the minimum rate order herein are hereby directed to establish in their tariffs the surcharges specified in Ordering Paragraph 1 herein, to be applied to the total transportation charges resulting under their respective tariffs.

3. With respect to rates maintained by common carriers for transportation not subject to the minimum rate order herein and/or maintained on a level other than minimum rates for transportation for which rates are prescribed in the minimum rate order involved, said carriers are authorized to apply the surcharges specified in Ordering Paragraph 1 herein.

4. 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.

5. Common carriers are hereby authorized and directed to increase their rates on not less than two days' notice to the Commission and to the public and to publish said increases to become effective August 28, 1970.

6. Common carriers are hereby authorized to depart from the Commission's tariff circular requirements only to the extent necessary in establishing the interim surcharges authorized by this order.

7. Further hearings in this proceeding will be held at a time and place to be determined.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 15th day of August, 1970.

Chairman

Handwritten signatures of William J. ... and Vernon L. Sturgeon, Commissioner.

I dissent such heavy interim rate increases affecting wage costs do not appear justified [Signature]