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Decision No. 79514

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 highway 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. 680
(Filed December 7, 1971)

O P I N I O N

A & B Garment Delivery of San Francisco is a highway common carrier serving points in a territory encompassed by Santa Rosa, Sacramento, Modesto, San Jose and San Francisco. Under authority granted by the Commission, petitioner publishes hourly vehicle unit rates for the transportation of garments, clothing, wearing apparel and merchandise incidental thereto, and store and office furniture, equipment, supplies and advertising materials when accompanying shipments of the articles previously described, between retail stores and warehouses thereof located at places within the San Francisco-East Bay Cartage Zone and between San Francisco and San Jose and intermediate points. Petitioner has held such authority for 16 years. It here seeks a continuation of such authority to depart from the Commission's established minimum rates by charging hourly vehicle unit rates, and to increase the present rate from \$13.55 to \$14.23 per hour. There are no protests.

Petitioner asserts that the circumstances and conditions which justified the granting of the authority to charge hourly vehicle unit rates still obtain.

The increase in the hourly rates is necessary to offset increased labor costs. Exhibits attached to the petition show the

cost per hour of providing service under hourly rates is \$13.20. This figure does not consider the additional expenses based upon gross revenue which would result from the increase in rates. The ratio of the cost of \$13.20 to the proposed rate of \$14.23 is 92.75 percent. Said cost-to-rate relationship is similar to the relationships in prior proceedings during the past 16 years involving the hourly rate of petitioner.

We find that the continuation of the authority to depart from the established minimum rates is justified by transportation conditions, the proposed rate is reasonable, and the increase in the hourly rates is justified.

The proposed increase in rate is consistent with the Federal Government's economic stabilization program in that the increase will not be in excess of cost increases incurred, and the increase is the minimum rate which is necessary to assure continuance of this service.

We conclude that the authority sought should be granted. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. A & B Garment Delivery of San Francisco is authorized to establish and publish, to expire with December 25, 1972, the vehicle unit rates proposed in Petition for Modification No. 680 herein.
2. Tariff filings 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 two days after the effective date of this order on not less than two days' notice to the Commission and to the public.
3. A & B Garment Delivery of San Francisco is authorized to depart from the long- and short-haul provisions of Section 460 of the

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Public Utilities Code to the extent necessary to exercise the authority granted herein. Schedules containing the rates published under this authority shall make reference to this order.

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

Dated at San Francisco, California, this 21st day of DECEMBER, 1971

[Signature]
Chairman
William J. ...
Thomas ...
Vernon L. ...
[Signature]
Commissioners