

Decision No. 79309

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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|-------------------------------------|---|---------------------------|
| Application of Western Motor Tariff |) | |
| Bureau, Inc. under the Shortened |) | |
| Procedure Tariff Docket to publish |) | Shortened Procedure |
| for and on behalf of Golden West |) | Tariff Docket |
| Freight Lines, tariff provisions |) | Application No. 53023 |
| resulting in increases because |) | (Filed November 23, 1971) |
| of the publication of a rule |) | |
| providing for full utilization |) | |
| of carrier's equipment. |) | |

OPINION AND ORDER

By this application, Western Motor Tariff Bureau, Inc. seeks authority on behalf of Golden West Freight Lines (Gold) to include Gold as a participant in a full-utilization-of-carrier's-equipment rule in one of its tariffs and concurrently cancel Gold's participation in a similar rule in the same tariff.¹

Applicant alleges that the current rule of Gold essentially provides that the carrier will not be paid any less for the exclusive use of a unit of equipment than it would obtain for a truckload shipment of the same commodity under the applicable truckload rate and minimum weight. According to applicant, the rule in which Gold desires to participate provides a higher minimum charge for full utilization of the carrier's high capacity equipment inasmuch as the truckload rate (Class 35) used in computing the minimum charge is based on minimum weights which vary

¹It is proposed to add Gold as a participant in Item No. 296 and to cancel the carrier's participation from Item No. 395 of Western Motor Tariff Bureau, Inc., Agent, Local, Joint and Proportional Freight and Express Tariff No. 111, Cal.P.U.C. No. 15.

depending upon the length of loading space in the carrier's equipment.

Applicant states that Gold transports high cubic volume low density freight and that full utilization of the carrier's equipment is not being achieved under Gold's current rule pertaining to this matter. Applicant avers that participation by Gold in the other rule as proposed herein would provide the carrier with sufficient revenue in those instances where exclusive use of its high capacity equipment is required and the involved shipment is not loaded to the space carrying capacity of such equipment.

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

The application was listed on the Commission's Daily Calendar of November 24, 1971. No objection to the granting of the application has been received.

Commission staff analysis discloses that Gold's current tariff rule provides that the minimum charge for exclusive use of its motor carrier equipment shall be computed by applying the rate to a single minimum weight factor regardless of the space carrying capacity of such equipment. Under the proposal herein, Gold would apply the rate to one of three minimum weight factors which vary according to the length of the motor carrier equipment used. The carrier would be more adequately compensated in those instances where exclusive use of its high capacity equipment is required and better utilization of its equipment would be obtained. The staff recommends that the application be granted by ex parte order.

(SPT) A. 53023 - hk*

In the circumstances, it appears, and the Commission finds, that applicant's proposal is reasonable and justified. A public hearing is not necessary.

The Commission concludes that the increases granted will not contribute to inflationary expectations and are necessary to assure continued and adequate service. Therefore, they fall within the guidelines established pursuant to the Federal Government's economic stabilization program as more specifically set forth in the certificate appended.

IT IS ORDERED that:


1. Western Motor Tariff Bureau, Inc., is hereby authorized, on behalf of Golden West Freight Lines, to publish amendments to Items Nos. 296 and 395 of its Local, Joint and Proportional Freight and Express Tariff No. 111, Cal.P.U.C. No. 15, as specifically proposed in the application.


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 ten days after the effective date of this order on not less than ten days' notice to the Commission and to the public.


3. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 4th day of April, 1972.



Chairman




Commissioners

Certificate of the Public Utilities
Commission of the State of California Re
Increases in Rates for Certain Transportation
Services Performed by For-Hire Highway Carriers
Within California

Pursuant to provisions of Section 300.16 of the Economic Stabilization Act Amendments of 1971, the Public Utilities Commission of the State of California does hereby certify to the Federal Price Commission as follows:

1. The decision of the California Public Utilities Commission to which this certification is attached authorizes the carrier to apply one of three minimum charges for the exclusive use of a unit of its carrier equipment depending upon the space carrying capacity of the equipment requested. Currently one of numerous minimum charges, which vary depending upon the particular commodity transported without regard to space carrying capacity of the equipment, applies to this service. Increases and reductions will result due to the wide differences in the variables governing these rules. Such differences make it impossible to measure the increases but the overall effect of such increases on the carrier's revenue is insignificant.
2. The instant application meets the criteria set forth in Rule 25 of the Commission's Rules of Practice and Procedure for processing applications under the Shortened Procedure Tariff Docket by showing that public hearing is not necessary in this proceeding and that the increases would not increase the carrier's California intrastate gross revenue by as much as one percent.
3. The increases should not significantly affect the carrier's overall gross revenue nor cause any inflationary impact on the cost of transportation services.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

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April , 1972