ORIGINAL

Decision No. 79913

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of WESTERN MOTOR TARIFF BUREAU, INC. on behalf of all common carrier participants in its Exception Sheet 1-A to eliminate therefrom certain exception ratings on fungicides and insecticides.

Application No. 52554 (Filed April 14, 1971)

Richard W. Smith, Attorney at Law, M. V. Nicolaus and Armand Karp, for Western Motor Tariff Bureau, Inc., applicant.

John P. Hellman, J. C. Kaspar and H. F. Kollmyer, for California Trucking Association, interested party.

John L. Glovka, for the Commission staff.

OPINION

By this application Western Motor Tariff Bureau seeks, on behalf of all motor common carrier participants to its Exception Sheet 1-A, Cal. P.U.C. No. 13, to cancel certain exception ratings on agricultural fungicides and insecticides. Higher ratings named in the National Motor Freight Classification A-12 would then apply.

Public hearing on the application was held on November 18, 1971, at San Francisco before Examiner Turpen. No one opposed granting of the application.

The record shows that the commodities involved herein are generally listed as poisons in the Dangerous Articles Tariff No. 14, and as a result require additional handling procedures which result in costs above that normal for handling other freight. These commodities are normally handled by permitted carriers, as they are exempt from the minimum rates, and the sought cancellation would have no effect on rates charged by permitted carriers. In addition to the

A. 52554 ek transportation in question being exempt from the application of the Commission's minimum rates, other highway common carriers maintain ratings which are substantially the same as those which applicant seeks to cancel from its tariff. The major shippers of the commodities involved did not oppose granting of the application, as they mainly ship by permitted carriers who are not involved herein. It is apparent that no reason exists for the current exception ratings to be maintained below those established in the National Freight Motor Classification. The common carriers here involved should have the same ratings for California intrastate traffic as apply interstate. The Commission finds that: 1. Class ratings are used to determine rates dependent on distance and other factors. It is impossible to determine the exact effect of a classification change on a given rate. 2. The present exception ratings here involved are lower than those applicable nationally, but transportation conditions intrastate are no different from those applicable interstate, and that accordingly a difference in ratings is not justified. 3. The sought increases are justified and will result in reasonable rates and charges. 4. It is impossible to determine the dollar amounts or percentages of the increases here involved; however, they will not contribute to inflationary expectations, are the minimum necessary to assure continued and adequate service and are consistent with the purposes of the Federal Government's economic stabilization program. 5. We certify that the exact amount of increases, dollar-wise, or in percentage, cannot be set forth, but the increases will be minimal and not increase the overall rate of return on capital. -2-

ORDER

IT IS ORDERED that:

- 1. Western Motor Tariff Bureau, Inc., is authorized to cancel, on behalf of common carrier participants in its Exception Sheet 1-A, Cal. P.U.C. No. 18, the exception ratings set forth in Application No. 52554.
- 2. Tariff publications hereinabove authorized may be made on ten days' notice to the Commission and to the public, to become effective not earlier than ten days after the effective date of this order.
- 3. The authority hereinabove granted shall expire if not exercised within sixty days after the effective date of this order.
- 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.

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

	Dated at	San Francisco	California, this 4th
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