

Decision No. 80148

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Western Motor Tariff)
Bureau, Inc. under the Shortened)
Procedure Tariff Docket to publish)
for and on behalf of Illinois-)
California Express, Inc., and all)
other carriers as shown in Exhibit)
"A" tariff provisions resulting in)
an increase because of the proposed)
cancellation of certain specific)
rail competitive commodity rates.)

Shortened Procedure
Tariff Docket
Application No. 53202
(Filed March 14, 1972)

OPINION AND ORDER

By this application, Western Motor Tariff Bureau, Inc., seeks authority, on behalf of Illinois-California Express, Inc., and ten other carriers to cancel the carriers' participation in various rail-competitive commodity rates.¹ Upon cancellation of the rates, as proposed, higher class rates would apply.

Applicant states that the involved carriers have reviewed their records and have determined that the rates proposed to be canceled have not been used recently. Applicant avers that movements under these rates in the past have been infrequent and that such rates are noncompensatory. Applicant contends that, with constantly rising carrier costs, the proposed cancellation of these rates would serve to provide some measure of protection against traffic producing operating losses.

¹ These rates, which apply to the transportation of iron or steel articles, are set forth in Local and Proportional Freight Tariff No. 101, Cal.P.U.C. No. 4, Rail Freight Station List No. 1-A, Cal.P.U.C. No. 16, and Tariff No. 117 (Nailhead Pickup and Delivery Limits and Switching Limits) Cal.P.U.C. No. 27. They generally apply from and to points in the San Francisco Bay, San Joaquin Valley, Los Angeles Basin and San Diego Areas. The ten other carriers are listed in Exhibit "A" attached to the application.

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

The application was listed on the Commission's Daily Calendar of March 15, 1972. No objection to the granting of the application has been received.

Commission staff analysis discloses that the rates in question are below the level of the truck rates for the involved transportation and were established to meet rail competition. The carriers have now elected not to meet this competition. Few, if any, actual increases need result from the proposed cancellation of rates since service would still be available at the present rates from other authorized highway carriers. 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 the cancellation of the rates as proposed herein are justified. A public hearing is not necessary. The Commission concludes that the increases will not contribute to inflationary expectations. 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 Illinois-California Express, Inc. and the other carriers named in Exhibit "A" attached to the application, to cancel the participation of said carriers from certain rates in its

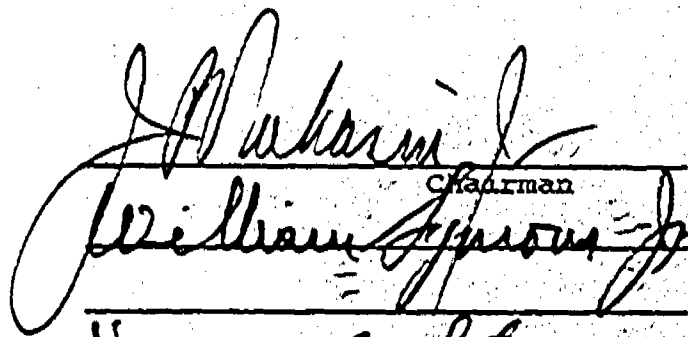
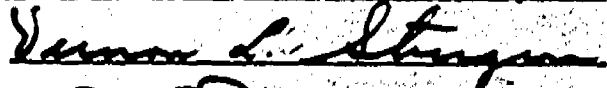

Local and Proportional Freight Tariff No. 101, Cal.P.U.C. No. 4, Rail Freight Station List No. 1-A, Cal.P.U.C. No. 16 and Tariff No. 117 (Railhead Pickup and Delivery Limits), Cal.P.U.C. No. 27, as specifically proposed in the application.

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 12th day of June, 1972.


Chairman


Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

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 cancellation of certain truck rates which are competitive with rail rates. As a result of said cancellation, higher minimum truck rates would hereafter be applicable if there is any traffic to be moved thereunder.
2. Said decision results only in technical increases and the cancellation of "dead" rates under which no traffic has moved.
3. No increase in transportation costs to shippers is involved inasmuch as no movement is anticipated in the future under the higher truck minimum rates.
4. 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 Tariff Docket by showing that public hearing is not necessary in this proceeding and that the increases would not increase the involved carriers' California intrastate gross revenue by as much as one percent.
5. The cancellation of the rail competitive rates will not result in an increase in the carriers' overall gross revenues nor cause any inflationary impact on the cost of transportation services.

(END OF APPENDIX A)