

Decision No. 80451

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 Kerner Trucking)
Service, Inc., a Corporation, tariff)
provisions resulting in increases)
because of the publication of a rule)
providing for full utilization of)
carrier's equipment.)

Shortened Procedure
Tariff Docket
Application No. 53371
(Filed June 1, 1972)

OPINION AND ORDER

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

Applicant alleges that the current rule of KTS 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 KTS 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

¹ It is proposed to add KTS 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.

charge is based on minimum weights which vary depending upon the length of loading space in the carrier's equipment.

Applicant states that KTS transports high cubic volume low density freight and that full utilization of the carrier's equipment is not being achieved under KTS's current rule pertaining to this matter. Applicant avers that participation by KTS 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 KTS by as much as one percent.

The application was listed on the Commission's Daily Calendar of June 5, 1972. No objection to the granting of the application has been received.

Commission staff analysis discloses that KTS'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, KTS 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.

In the circumstances, the Commission finds that applicant's proposal is reasonable and justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. Western Motor Tariff Bureau, Inc., is hereby authorized, on behalf of Kerner Trucking Service, Inc., 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 31st day of August, 1972.

Vernon L. Sturgeon
President
William J. Lyons, Jr.
[Signature]
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Commissioners