

ORIGINAL

Decision No. 80559

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of }
SOUTHERN CALIFORNIA TRUCK LEASING, }
INC., for an order authorizing }
applicant to deviate from certain }
minimum rates on shipments trans- }
ported for Xerox Corporation, }
pursuant to Public Utilities Code, }
Section 3666. }

Application No. 53213
(Filed March 17, 1972)

Murchison & Davis, by Fred H. Mackensen, for applicant.
William T. Meinhold and Arlo D. Poe, Attorneys at
Law, and H. F. Kollmeyer, for California Trucking
Association, interested party.
George L. Hunt, for the Commission staff.

O P I N I O N

By this application, Southern California Truck Leasing, Inc. requests authority to deviate from the provisions of Minimum Rate Tariff 15 for transportation performed for Xerox Corporation (Xerox).

Public hearing was held before Examiner O'Leary at Los Angeles on June 28, 1972 at which time the matter was submitted subject to the filing of transcript which was filed July 7, 1972.

The president of applicant testified that five bobtail trucks and one tractor are utilized to perform transportation services for Xerox Corporation. Said equipment uses liquid propane gas for fuel rather than gasoline. The president also testified that the use of liquid propane gas results in a cost saving of 1.8 cents per mile. The cost of converting the vehicles to use propane rather than gasoline amounted to \$705. In addition to the conversion cost, applicant pays an annual rental of \$1,070 for propane tanks. During the period July 1, 1971 to June 30, 1972, applicant operated

272,737 miles for Xerox. Based on said mileage the cost per mile for conversion and rental of the tanks amounts to 0.6 cents. The use of propane results in a net saving of 1.2 cents per mile. Because of the savings effected by the conversion to propane gas, applicant proposes to reduce the mileage rate of 13 cents for two axle trucks 12 feet and over as set forth in Item 500 of Minimum Rate Tariff 15 by 2.5 cents for the account of Xerox.

Applicant further proposes to reduce the charge for excess hours by \$1.00 per hour from \$10.70 to \$9.70 and to depart from the provisions of Item 530 of Minimum Rate Tariff 15 by substituting Good Friday for George Washington's Birthday as a legal holiday.

The president of applicant testified that his drivers are paid \$8.07 per hour for overtime and that from July 2, 1971 to June 2, 1972 the overtime hours worked for the account of Xerox totaled 3,055 hours. Because of the drivers rate of pay and the number of overtime hours worked, applicant requests that it be authorized to reduce the charge for excess hours by \$1.00 per hour.

Regarding the request to substitute Good Friday for George Washington's Birthday as a holiday, the president of applicant and the regional traffic manager of Xerox Corporation testified that Good Friday is a holiday for the employees of Xerox but George Washington's Birthday is not. Both witnesses agreed that the service performed by applicant for Xerox would be more efficient if the holidays of applicant and Xerox were identical.

After consideration, the Commission finds that:

1. The vehicles applicant utilizes to perform transportation for Xerox use liquid propane gas for fuel rather than gasoline.
2. The use of liquid propane gas for fuel results in a net saving to applicant of 1.2 cents per mile.
3. Applicant's drivers are paid \$8.07 per hour for overtime hours.
4. Employees of Xerox observe Good Friday as a holiday.

5. The employees of Xerox do not observe George Washington's Birthday as a holiday.

6. The reduction of the mileage rate by 2.5 cents has not been shown to be reasonable within the meaning of Section 3666 of the Public Utilities Code; however, a 1.2 cent reduction has been shown to be reasonable within said section.

7. The only evidence submitted to justify the reduction of the charge for excess hours was the overtime rate paid to applicant's drivers.

8. A finding that the proposed reduction in the charge for excess hours is reasonable within the meaning of Section 3666 of the Public Utilities Code cannot be made solely on the basis of the evidence set forth in Finding 7.

9. The substitution of Good Friday for George Washington's Birthday as a holiday is reasonable within the meaning of Section 3666 of the Public Utilities Code.

Based on the foregoing findings, the Commission concludes that the application should be granted to the extent provided in the ensuing order.

Since conditions under which the service is performed may change at any time, the authority granted in the ensuing order will be made to expire at the end of one year, unless sooner cancelled, changed or extended by order of the Commission.

O R D E R

IT IS ORDERED that:

1. Southern California Truck Leasing, Inc. is authorized, in performance of transportation for Xerox Corporation, to assess a mileage rate for two axle trucks 12 feet and over of 1.2 cents less than the rate set forth in Item 500 of Minimum Rate Tariff 15.

2. Southern California Truck Leasing, Inc. is authorized to substitute Good Friday as a holiday in lieu of Washington's Birthday in the application of Item 530 of Minimum Rate Tariff 15.

3. The authority herein granted shall expire one year after the effective date of this order unless sooner cancelled, changed or extended by order of the Commission.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 3rd day of OCTOBER, 1972.

James L. Starnes
President
William J. Starnes
William J. Starnes
Alvin W. Starnes
Alvin W. Starnes
Commissioners