

Decision No. 86431

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Applica-)
tion of)OSBORNE HIGHWAY EXPRESS)
A California Corporation)for Authority to Charge Less)
than the Minimum Rates in con-)
nection with the transporta-)
tion of glass containers, under)
the provisions of Section 3666)
of the Public Utilities Code.)Application No. 56500
(Filed May 25, 1976)INTERIM OPINION AND ORDER

By this application, Osborne Highway Express, a corporation, requests authority to deviate from the provisions of Minimum Rate Tariff 2 in connection with the transportation of palletized shipments of glass bottles, carboys, demijohns or jars for Owens-Illinois Inc., from Vernon (MZ235) to points and places in the Counties of Alameda, Contra Costa, Monterey, Sacramento, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano and Stanislaus.¹

¹The present rates, exclusive of applicable surcharges, and the proposed rates for representative shipments of the aforementioned commodities are:

FROM VERNON MZ 235 TO	Rates in Cents Per 100 Pounds							
	Minimum Weight in Pounds							
	24,000	30,000	40,000	50,000				
	Pres- ent	Pro- posed	Pres- ent	Pro- posed	Pres- ent	Pro- posed	Pres- ent	Pro- posed
SAN FRANCISCO MZ 102								
OAKLAND MZ 111	147	120	141	100	141	88	135	80
SAN JOSE MZ 125								
SACRAMENTO								

The application is based on special circumstances and conditions detailed therein.

The application was listed on the Commission's Daily Calendar of May 26, 1976. California Trucking Association objected to the ex parte handling of this matter, stating that the development of applicant's costs is in no way related to any transportation proposed to be performed for the named shipper. However, revenue and expense data submitted by applicant is sufficient to determine that the transportation involved may reasonably be expected to be profitable under the proposed rates.

In the circumstances, the Commission finds that applicant's proposal is reasonable on a temporary basis pending hearing to the extent hereinafter indicated. Applicant contemplates the use of subhaulers without specifying the remuneration it proposes to pay them. While applicant has provided an analysis of a representative subhauler's cost, there is no indication that any one subhauler will actually experience such a cost. Since no provision for the payment to subhaulers has been made or justified, they should be paid no less than the rates authorized herein. The Commission concludes that the interim authority should be granted as set forth in the ensuing order and the effective date of this order should be the date hereof because there is an immediate need for this rate relief.

IT IS ORDERED that:

1. Osborne Highway Express, a corporation, is authorized to perform the transportation shown in Appendix A attached hereto and by this reference made a part hereof at not less than the rates set forth therein.


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

3. A public hearing shall be scheduled on this application at a date to be set.


The effective date of this order is the date hereof.

Dated at San Francisco, California, this 28th day of September, 1976.

I dissent as to
the effective date.
William Lyons, Jr.



President



Vernon L. Sturgeon



Robert B. Kucinski
Commissioners

Appendix A

Carrier: Osborne Highway Express, a corporation.

Commodity: Palletized shipments of Glass Bottles, Carboys, Demi-johns or Jars (National Motor Freight Classification NMF 100-C, Item 87700, Sub 2 and Item 87720, Sub 2).

For: Owens-Illinois Inc.

From: Vernon (WZ 235)

To: Points and places in the Counties of Alameda, Contra Costa, Monterey, Sacramento, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano and Stanislaus.

	<u>Minimum Weight In Pounds</u>			
	<u>24,000</u>	<u>30,000</u>	<u>40,000</u>	<u>50,000</u>
Rates in Cents Per 100 Pounds:	120	100	88	80

Conditions:

- (1) Shipments shall be palletized and power loaded and unloaded by shipper and by consignee without assistance of, or expense to, the carrier.
- (2) Carrier shall not perform split delivery service.
- (3) The minimum weight shall apply to each unit of carrier's equipment used.
- (4) These rates shall be increased in the same amount and effective at the same time or times as the Commission shall increase the Class 35 and Class 45 rates applicable under the provisions of Minimum Rate Tariff 2 to and from these points.
- (5) These rates are not subject to the current surcharges provided in Minimum Rate Tariff 2.
- (6) Though applicant has indicated that subhaulers will be engaged, no adequate costs of subhaulers have been submitted. Therefore, if subhaulers are

employed, they shall be paid no less than the rates authorized herein without any deduction for use of applicant's trailing equipment.

- (7) In all other respects, the rates and rules in Minimum Rate Tariff 2 shall apply.

(END OF APPENDIX A)