

Decision 89 04 038 APR 12 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of )  
Viking Freight System, Inc. for )  
permanent authority for departure )  
from CAL PUC General Order 147-A, )  
by using Viking Distance Table 2 as )  
authorized by decision 86-012-073, )  
decision 88-04-074 and Order SPTD )  
No. 305. )

APR 15 1989

Application 88-12-034  
(Filed December 16, 1988;  
amended January 5, 1989)

OPINION

Viking Freight System, Inc. (Viking), a highway common and contract carrier, has held interim authority to deviate from the provisions of General Order (GO) 147-A by using Viking's Distance Table 2 (DT 2) in lieu of the Commission's Distance Table 8 (DT 8). This authority has been granted Viking by Decisions (D.) 86-12-073 and 88-04-074, and by Special Tariff Docket 305. Mileages in DT 2 are named between certain U. S. Postal Service five-digit zip code zones for use in determining rates and charges in Viking's mileage tariffs. By this application Viking seeks permanent authority to use DT 2, as reissued September 19, 1988. In support of its request Viking asserts as follows:

In filing the initial application for authority to deviate from the provisions of DT 8, and in filing subsequent quarterly reports required by D.86-12-073 and D.88-04-074, Viking has demonstrated that use of DT 2 has only a minimal impact upon its system wide revenues, and provides the most accurate

implementation of DT 8 by zip code to date. These reports show the following information:

<u>Report</u>	<u>Revenue Impact</u>	<u>Mileage Impact</u>
Initial application	-0.29%	+0.22%
Quarter 1, 1987	-0.66%	+0.20%
Quarter 2, 1987	-0.16%	-0.43%
Quarter 3, 1987	-0.24%	-0.37%
Quarter 1, 1988	-0.02%	+0.04%
Quarter 2, 1988	+0.04%	+0.09%
Quarter 3, 1988	-0.21%	-0.54%
DT 2 impact (SPTD 305)	-0.19%	-0.31%

Viking notes that Resolution TS 682 orders that renewals of deviations under Public Utilities Code § 452 be subject to annual extensions for the first two years, and observes that this condition has now been met. Viking directs our attention to Case 7024, OSH 40, et al., which is being conducted for the purpose of determining whether and to what extent changes should be made in the present distance table format. D.88-12-047 in that proceeding authorized the Commission's Transportation Division staff to solicit bids for the purpose of selecting a contractor to develop and maintain an actual mileage, zip code oriented distance table. The decision also states that carriers currently holding authorities to depart from the provisions of DT 8 will be allowed to continue using authorized documents.

Viking also requests relief from the requirement to file quarterly reports which have been a condition of each issuance of authority to depart from the provisions of DT 8. These reports show comparisons of mileages and charges on shipments under the provisions of both DT 2 and DT 8. Even with the modification

allowed by D.87-09-007, which requires only a one day sample comparison, extensive labor is involved. Because Viking is the largest less-than-truckload carrier performing intrastate transportation within California, a 10% sample as required under D.87-09-007 necessitates the rerating of 500 shipments. To perform the rerating, shipments for the sample day must be identified, and rate clerks must use DT 8 to determine constructive mileages. Viking believes that the consistency demonstrated by the quarterly report results indicated in the above table clearly show there is no longer a need for quarterly monitoring.

We concur with the applicant that the consistent demonstration of the minor deviations from mileages and shipment charges resulting from its zip code based format, when compared with the mileages and charges applicable under DT 8 calculations, adequately shows that Viking's charges are reasonable when determined under its DT 2. We also agree that there no longer exists the need for quarterly reporting of these comparisons, based upon the consistent showing of these minor deviations. Further, our decision in Case 7024, OSH 40 (supra) clearly authorizes the ultimate use by Viking of its present DT 2 format, without the need for quarterly reporting. Notice of filing of the application appeared in the Commission's Daily Transportation Calendar. No protest to granting the application has been received. In the circumstances, the application should be granted.

Findings of Fact

1. Viking has held authority for over two years to depart from the provisions of GO 147-A by using its DT 2, setting forth mileages between certain U. S. postal service five-digit zip code zones, in lieu of the Commission's DT 8.
2. Viking requests that its current interim authority to use DT 2 be granted on a permanent basis.
3. The quarterly report data furnished with the application demonstrate that the differences between charges and mileages

determined under Viking's DT 2 and those determined under DT 8 have been and continue to be negligible.

4. Granting Viking's request to permanently use DT 2 in lieu of DT 8 will allow the carrier to continue to assess reasonable rates and charges in connection with distance rated shipments.

5. The continued filing by Viking of periodic reports setting forth comparisons of mileages and charges when determined under both Viking's DT 2 and the Commission's DT 8 would be unnecessarily burdensome for Viking and the staff.

Conclusions of Law

1. The application should be granted. A public hearing is not necessary.

2. Since this matter is uncontested, the effective date of this decision should be today.

ORDER

IT IS ORDERED that:

1. Viking Freight System, Inc. (Viking) is authorized to permanently depart from the provisions of General Order 147-A by using its Distance Table 2, and reissues thereof, in lieu of the Commission's Distance Table 8, and reissues thereof.

2. Viking need no longer file periodic reports in connection with the use of its Distance Table 2.

This order is effective today.

Dated April 12, 1989, at San Francisco, California.

G. MITCHELL WILK  
President  
STANLEY W. HULETT  
JOHN B. OHANIAN  
PATRICIA M. ECKERT  
Commissioners

Commissioner Frederick R. Duda,  
being necessarily absent, did  
not participate.

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

*Victor Weiss*  
Victor Weiss, Executive Director

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