

Decision 89 10 022

OCT 12 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Bert E. Jessup)
 Transportation, Inc. (T-106038) for)
 authority to depart from provisions)
 of General Order 147-A to make)
 publications allowing split pickup)
 and split delivery on the same)
 shipment, and for authority to)
 depart from long- and short-haul)
 prohibitions to the extent necessary)
 to make such tariff publications.)

Application 89-04-041
 (Filed April 18, 1989)

O P I N I O N

By this application Bert E. Jessup Transportation, Inc. (Jessup) requests authority to depart from the cost justification requirements of Rule 7 of General Order (GO) 147-A in order to publish certain amended tariff provisions, as set forth in Appendix A to its application.

Jessup holds highway common carrier and highway contract carrier authorities issued by this Commission to operate within California, under File T-106,038. Under the sought authority, Jessup would be allowed to perform both split pickups and split deliveries on the same shipment when operating as a highway common carrier. Existing provisions of Jessup's Local Freight Tariff 2 do not permit these services on the same shipment.

Jessup publishes class and commodity rates in its Local Freight Tariff 2 (CAL PUC 2). Because of definitions in the tariff of the terms Split Pickup and Split Delivery, it is not possible to provide both services on a single shipment. This limitation had its origin in the Commission's former Minimum Rate Tariff 2 and was later brought forward to Jessup's common carrier publication without change.

Under usual circumstances the limitation does not create any operational difficulties for Jessup and its customers. However, from time to time customers have had occasion to request the performance of both split pickup and split delivery on the same shipment. This has usually occurred in connection with coordinated movements involving a split delivery shipment, whereby one of the intermediate consignees also has goods to be transported on behalf of the original shipper.

Jessup has been required to treat these coordinated movements as separate shipments because its tariff does not permit both split pickup and split delivery on the same shipment. There appears to be no good reason for continuing this prohibition today.

The impact on Jessup's revenues would be negligible, but the added flexibility to its shippers is important. There would be no reduction in actual rate levels as a result of this change, but shippers would receive the benefit of lower freight charges when consolidation results in shipments being transported at lower rates (and a higher minimum weight) than would otherwise occur if shipments were separately tendered.

Because GO 147-A provides no mechanism for securing the proposed relief except (a) through cost justification which in this instance would potentially require justification of Jessup's entire rate structure, or (b) through a formal application seeking relief from the cost justification requirements, Jessup has chosen the latter course as the most reasonable in these circumstances.

Jessup asserts that this request does not involve a matter which significantly affects energy efficiency.

Because of the limited impact of such revisions, Jessup believes this is a proper matter for ex parte handling. Notice of filing of Jessup's application appeared in the Commission's Daily Transportation Calendar. No protest to granting of the application has been received. In the circumstances, the request is reasonable and necessary and will be granted.

Findings of Fact

1. Jessup operates as a highway common carrier and as a highway contract carrier under authorities issued by this Commission.

2. Under the provisions of Jessup's Local Freight Tariff 2, naming rates and rules for Jessup when operating as a highway common carrier, the carrier is prohibited from performing both split pickup and split delivery on the same shipment.

3. Jessup has had requests from shippers to perform split pickup and split delivery on the same shipment.

4. The prohibition against performing split pickup and split delivery on the same shipment is a carryover from Commission minimum rate tariff and transition tariff provisions. There appears to be no reason why these services should not be allowed on the same shipment under the present regulatory program applicable in connection with the transportation of general freight.

5. The rules proposed by Jessup for publication in its Local Freight Tariff 2, set forth in Appendix A to its application, appear reasonable and necessary and will allow the carrier to perform both split pickup and split delivery on the same shipment.

Conclusions of Law

1. The application should be granted.

2. Since there is no protest to Jessup's request, the effective date of this order should be today.

ORDER

IT IS ORDERED that Bert E. Jessup Transportation, Inc. is authorized, on 5 days' notice, to publish the rules set forth in Appendix A to its application in its highway common carrier tariff, and to depart from the long- and short-haul provisions of Public Utilities Code §§ 460 and 461.5 to the extent necessary to accomplish this publication.

This order is effective today.

Dated OCT 12 1989, at San Francisco, California.

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

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

- 4 -

Wesley Franklin
WESLEY FRANKLIN, Acting Executive Director
20