Decision 90 03 051 MAR 28 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Western Motor Tariff Bureau, Inc., for and on behalf of Knight's Delivery Service, Inc., to depart from the provisions of General Order 147-A, pursuant to Rule 2 thereof, and publish provisions in Tariff WMT 113, CA PUC 19, which will result in increases and/or decreases,

and for authority to depart from provisions of Sections 452, 454 and 491 of the Public Utilities Code when accomplishing such publication. Windle

Application 89-11-029 (Filed November 27, 1989)

OPINION

By this application Western Motor Tariff Bureau, Inc. (WMTB) seeks on behalf of Knight's Delivery Service, Inc. (Knight's) (T-138,643), pursuant to Rule 2 of the Commission's General Order (GO) 147-A, authority to publish vehicle unit rates in WMTB Tariff 113, Cal PUC 19.

WMTB asserts that recent business solicitations by Knight's, a highway common carrier, have uncovered various shippers in need of a carrier who can transport their freight at yearly, monthly or hourly vehicle unit rates. The object of this application is to provide a new service by Knight's to these shippers desiring to be assessed at vehicle unit rates. WMTB has previously attempted to establish participation by other carriers in WMTB Tariff 113 under the provisions of Rule 7.7 of GO 147-A. That rule allows for tariff changes where the proposed changes will not affect the filing carrier's annual revenue from regulated intrastate general commodity transportation by more than 1%.

WMTB asserts that the Commission's Tariff and License Branch rejected such other carriers' filings under Rule 7.7, alleging that the rule does not apply to these circumstances.

WMTB also attempted to establish participation on behalf of other carriers in WMTB 113 via a shortened procedure tariff docket application. Such shortened procedure tariff dockets, upon approval by the Commission, allow carriers to increase rates and charges so long as the increases do not increase their annual intrastate revenue by as much as 1%. However, the Tariff and License Branch rejected WMTB's shortened procedure tariff docket applications, stating that the addition of vehicle unit rates must be accomplished via a cost-justification.

The applicant maintains that the addition of hourly vehicle unit rates will most likely result in both increases and decreases in revenues, depending on the commodities contained in the shipments, the weight thereof, number of shipments transported, and the time required to deliver shipments. Thus, WMTB contends, it would be impossible to cost justify the addition of hourly vehicle unit rates since a specific shipment would have to be transported before it could be determined that a decrease in revenue has occurred. Hence, the instant request to depart from the cost justification provisions of GO 147-A.

WMTB alleges:

- Cost justification of the proposed rates is not possible, since increases, as well as decreases in revenues will result.
- Granting of this application will not have a significant impact on the Commission's regulatory program.
- 3. This proposal is almost allowed, if indeed not allowed, by Rule 7.7 of GO 147-A.
- This is a minor, technical change not adverse to the interests of any party.

- 5. Any additional measures needed to resolve this small matter would be unnecessarily bureaucratic.
- 6. The proposal is noncontroversial, and not of general interest due to the fact that many carriers already offer vehicle unit rates.

Authority is also requested to depart from the provisions of Public Utilities (PU) Code § 491 in order to file and publish the requisite tariff filings on five days' notice.

WMTB states that it can be seen with reasonable certainty that the granting of this application will not result in a significant effect on the environment.

Notice of the filing of the application appeared in the Commission's Daily Transportation Calendar. No protest has been received from any party.

<u>Pindings of Fact</u>

- 1. Knight's holds highway common carrier operating authority issued by this Commission.
- 2. WMTB, a tariff publishing agent acting on behalf of Knight's, requests authority to include Knight's in WMTB Tariff 113, thereby authorizing Knight's to assess rates for transportation service on a vehicle unit basis. Conclusion of Law

The application should be granted. Since there is no protest to the application, the effective date of this order should be the date of signature.

ORDER

IT IS ORDERED that Western Motor Tariff Bureau, Inc. is authorized to publish, on 5 days' notice, participation by Knight's Delivery Service, Inc. in Tariff WMTB 113, CA PUC 19.

This order is effective today.

Dated MAR 28 1990 , 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

NEAL J. SHULMAN, Executive Director

NB