

L/ltg \*

Decision 91-03-072 March 22, 1991

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Regulation of )  
Used Household Goods Transportation )  
by Truck. )

**ORIGINAL**

I.89-11-003  
(Filed November 3, 1989)

ORDER GRANTING STAY OF D.90-12-091

On December 19, 1990, we approved Decision (D.) 90-12-091, which revised our regulatory program for household goods carriers. This Decision established a program of maximum (rather than minimum) rates and improved consumer protections. The Decision set April 18, 1991 as the date for implementation of this new program.

On January 25, 1991, the California Moving and Storage Association (CMSA) filed an application for rehearing of our Decision. CMSA's application opposes the setting of maximum rates on policy grounds and alleges that the new maximum rates do not properly account for the costs of the services performed by household goods carriers. CMSA also asks for a delay in implementation of the new program.

More recently, as ordered by the Decision, our Transportation Division has conducted a series of workshops on the new program. A number of policy and technical concerns about implementation of our new program were raised at these workshops.

After carefully considering the arguments and allegations raised in CMSA's application for rehearing, we remain firmly committed to a program of maximum rates and enhanced consumer protections. However, in light of concerns that have been raised about some of the details of the new program contained in our Decision and about the feasibility of implementing our new program on April 18th, we conclude that the most prudent course of action is to delay implementation of our new program until January 1, 1992.

In the interim, we intend to grant a limited rehearing of the Decision to consider some of the arguments raised in CMSA's application. More specifically, we intend to review the level of the new maximum rates to ensure that they properly account for the costs of the services performed by household goods carriers. We will not, however, delay implementation of our new maximum rate program for a period of years while we complete new cost studies.

Rather, we will permit parties to present evidence supporting the use of alternative published indices or reports to update the cost components of the MRT 4-C rates (so as to yield new maximum rates). We will also permit parties to submit evidence supporting the use of alternative time periods for escalating the cost components. In addition, the limited rehearing will consider how the maximum rates should account for overtime hours.

Together with this limited rehearing we will also hold further hearings on a number of issues that are best resolved before we implement our new program by January 1, 1992. These issues include some of those presently scheduled for Phase II of this proceeding as well as issues raised in the workshops or otherwise brought to our attention. We will shortly issue a further order spelling out in greater detail the issues to be considered at these further hearings, as well as the scope of the limited rehearing we intend to grant.

Under Public Utilities Code § 1733(b), if the Commission does not act on an application for rehearing within 60 days, the party filing the application may deem it denied unless the effective date of the order is extended. The 60 day period for CMSA's application will expire before our next Commission meeting. Therefore, in order to prevent CMSA from deeming its application for rehearing denied before we have had an opportunity to issue a more detailed order (granting a limited rehearing and setting issues for further hearing), we will stay our decision in the meantime. However, because there will be a

considerable overlap between the issues covered by our further order and those presently scheduled for Phase II of this proceeding, we will permit the assigned Administrative Law Judge (ALJ) to continue with the Phase II proceedings in the interim, as the ALJ deems advisable.

THEREFORE, good cause appearing,

IT IS ORDERED that:

1. Decision 90-12-091 is stayed pending further order of the Commission.
2. The Commission will not reconsider its decision to abolish minimum rates for Household Goods Carriers and replace them with a program of maximum rates and improved consumer protections. The Commission will, however, review some of the details of its new program prior to implementation by January 1, 1992.
3. The assigned Administrative Law Judge may continue with the Phase II proceedings as the ALJ deems advisable.
4. The Executive Director shall serve a copy of this Order on each subscriber to Minimum Rate Tariff 4-C, and all appearances in this investigation.

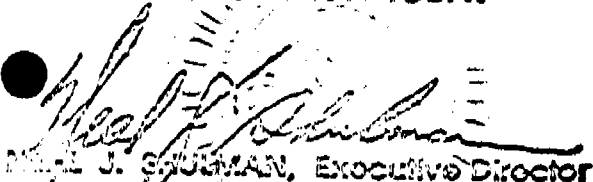
This order is effective today.

Dated March 22, 1991, at San Francisco, California.

PATRICIA M. ECKERT  
President  
G. MITCHELL WILK  
JOHN B. OHANIAN  
NORMAN D. SHUMWAY  
Commissioners

Commissioner Daniel Wm. Fessler,  
being necessarily absent, did  
not participate

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

  
NORMAN D. SHUMWAY, Executive Director