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(Filed August 11, 1992)

Decision 92-11-039 November 23, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the operations and practices of Airborne Freight corporation, a Delaware corporation doing business as Airborne Express,

Respondent.

<u>OPINION</u>

Airborne Freight Corporation (Airborne), a Delaware corporation, transports property over California highways for compensation, pursuant to highway common carrier and freight forwarder certificates and a highway contract carrier permit, all in file T-91,846. Airborne's freight forwarder operations are not involved in this proceeding.

The California Highway Patrol recommended that Airborne's operating authorities be suspended for failure to comply with the pull notice system requirements of Vehicle Code (VC) § 1808.1. Acting pursuant to Public Utilities (PU) Code § 3774.5, the Commission on October 11, 1990, suspended Airborne's highway common carrier certificate and its highway contract carrier's permit for failure to comply with VC § 1808.1. The suspension lasted until January 9, 1991.

A Transportation Division investigation reveals that Airborne may have conducted intrastate trucking operations as a highway common carrier or as a highway contract carrier while its operating authorities were suspended, in violation of PU Code §§ 702, 1061, 1063, and 3775. Accordingly, the Commission opened this investigation.

On October 13, 1992, counsel for Airborne and the Transportation Division entered into a stipulation for settlement.

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To resolve the issues in this case, Airborne agrees to pay to the Commission \$2,500, pursuant to PU Code \$\$ 1070 and 3774. It has remitted the entire amount to the Commission.

The Transportation Division agrees with the terms of the stipulation; and it recommends that they be accepted; that this proceeding should be terminated; that henceforth Airborne should not be subject to any further sanctions or fines arising from transportation performed by it to and including the date of the stipulation; and that it be relieved of liability for the payment of any amount other than that specifically agreed to be paid in the stipulation. A copy of the stipulation is appended.

Findings of Fact

1. The stipulation is reasonable, consistent with law, and in the public interest.

2. The stipulation is recommended by the Transportation Division.

3. The stipulation is uncontested.

Conclusions of Law

1. The stipulation should be adopted.

2. Since the case is resolved by stipulation, the following order should be effective immediately.

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<u>ORDER</u>

IT IS ORDERED that:

 Airborne Freight Corporation (Airborne) shall pay to the Commission a fine of \$2,500, pursuant to Public Utilities Code \$§ 1070 and 3774, within 30 days after the date of this order.

2. Upon payment in full of the amount of the fine, Airborne thenceforth shall not be subject to any further sanctions or fines arising out of the transportation performed by it to and including the date of the stipulation; and it shall be relieved of liability for the payment of any amount other than the amount agreed to be paid in the stipulation.

3. This investigation is terminated; and the docket is closed.

This order is effective today. Dated November 23, 1992, at San Francisco, California.

> DANIEL WM. FESSLER President JOHN B. OHANIAN PATRICIA M. ECKERT NORMAN D. SHUMWAY COmmissioners

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

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APPENDIX

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's own motion into the operations and practices of Airborne Freight corporation, a Delaware corporation doing business as Airborne Express,

1. 92-08-011

Respondent

STIPULATION FOR SETTLEMENT

THE PARTIES TO THIS PROCEEDING now pending before the Public Utilities Commission desiring to avoid the expense, inconvenience and uncertainty attendant to litigation of the issues in dispute between them have agreed upon a settlement of the said issues and desire to submit to the Public Utilities Commission this stipulation for approval and adoption as its final disposition of the matters herein.

In addition, since this STIPULATION represents a compromise by the Parties, the Parties have entered into it on the basis that the Commission's adoption of said STIPULATION not be construed as an admission or concession by any party regarding the facts or law in dispute in this proceeding. Furthermore, it is the intent and understanding of the parties that Commission adoption of this STIPULATION will not be construed as a precedent or policy statement of any kind for or against the Parties in any current or future proceeding.

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NOW, THEREFORE, THE PARTIES DO STIPULATE AS FOLLOWS:

1. Respondent Airborné Fréight Corporation dba Airborné Express (Airborne) agrees to pay an amount to be déposited with the Public Utilities Commission ("Commission") in the sum of \$ 2,500 pursuant to Sections 1070 and 3774 of the Public Utilitiés Code. This amount is to be paid within 30 days after issuance of the Commission's final order approving and adopting the terms of this Stipulation For Settlement as its final disposition of the matters subject to this investigation.

2. The staff of the Public Utilities Commission, specifically the Compliance and Enforcement Branch of the Transportation Division, agrees with the terms of this stipulation and recommends to the Commission that these terms be accepted, that this proceeding known as I. 92-08-011 be terminated, that the respondent in I. 92-08-011 shall henceforth not be subject to any future sanctions or fines arising from transportation performed by BEEPS to and including the date of this Stipulation, and be relieved of liability for the payment of any amount other than that specifically agreed to be paid in this stipulation.

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3. The parties enter into this agreement freely and voluntarily. 4. It is understood and agreed that the terms herein are binding when approved by the Commission. Dated: OCTOBER 13, 1992

William Boe, Attorney at Law Counsel for Airborne Freight Corporation dba Airborne Express P.O. Box 662 Seattle, WA 98111

Lawrence Q. Garcia Attorney at Law Counsel for Compliance and Enforcement Branch of Transportation Division

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(END OF APPENDIX)