

ORIGINAL

Decision 82 06 079 JUN 15 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of GRM, Inc. pursuant to)
Section 3666 of the Public Utilities)
Code, for authority to deviate from)
special rates, rules, and regulations)
in Minimum Rate Tariff 12-A for the)
transportation of automobiles)
between points in California.)

Application 82-03-58
(Filed March 16, 1982;
amended May 7, 1982)

O P I N I O N

By this application, as amended, GRM, Inc., doing business as Port Terminal Transport, Inc., requests authority to deviate from the provisions of Minimum Rate Tariff (MRT) 12-A for the transportation of new automobiles in truckaway service.

Applicant operates as a highway common carrier under certificates of public convenience and necessity and also holds agricultural and highway contract carrier permits. It proposes, under Public Utilities (PU) Code § 3666, to assess rates on a single factor basis when transporting new automobiles for Toyota Motor Sales U.S.A., Inc. The proposed rates are shown in Appendix A. Applicant avers that the proposed rates include split delivery charges and therefore requests that the component charges named in Item 140 of MRT 12-A be waived.

The application originally appeared on the Commission's Daily Calendar of March 19, and the amendment on the Calendar of May 7, 1982. No objection to granting of the application, as amended, has been received.

Applicant states that Toyota Motor Sales U.S.A., Inc. has recently installed an advanced computer system to facilitate the processing of freight bills. To achieve the maximum benefits of computerization, the shipper has requested that applicant provide a simplified rate structure more readily adaptable to data processing techniques. The proposed rate structure will purportedly benefit both shipper and applicant by greatly simplifying the billing process.

The proposed single factor rate structure has been calculated to generate revenues identical to the current MRT 12-A level. Attached to the application as Exhibit B is a schedule comparing present and proposed revenues over a representative three-month period. This exhibit demonstrates that, while revenues produced on individual shipments will deviate both upward and downward from MRT 12-A levels, the net revenues and profitability on a month-by-month basis will be identical.

The distance rates in MRT 12-A are stated in cents-per-vehicle and vary with the number of vehicles tendered in a particular shipment. Applicant's proposed single factor rates will be stated in cents-per-vehicle and will apply regardless of the number of vehicles tendered. For example, the rate, including the 23-1/2% surcharge shown in Supplement 15 of MRT 12-A for a distance of 100 constructive miles for one vehicle transported is \$59.90; for six vehicles transported it is \$44.15 per vehicle. Applicant's proposed single factor rate is \$48.45 per vehicle regardless of the number of vehicles transported.

Applicant originally requested that the authority be granted under its common carrier authority. In the amended application it requests that the deviation be granted instead for its highway contract carrier operations. We agree this is a matter for consideration in connection with applicant's contract carrier operations, since the rates are based upon the operating experience associated with transportation performed only for Toyota Motor Sales U.S.A., Inc. If the rates were published in applicant's common carrier tariff (Local Freight Tariff No. 1, Cal. P.U.C. No. 5) they would apply for transportation performed for all shippers of new automobiles in truckaway service. There would be no justification for application of the proposed rates to transportation performed for other shippers. The proposed deviation appears reasonable and should be granted in connection with applicant's highway contract carrier service.

We are embarking upon a new program of carrier-initiated rates in truckaway transportation. Decision 82-04-108, dated April 21, 1982 in Case 5604, OSH 59 provides that effective June 20, 1982 MRT 12-A is canceled and contract carriers may then (1) assess lawfully filed rates of common carriers or (2) continue to assess rates authorized under PU Code Section 3666 by filing with the Commission the contract underlying such authorization. Applications for authorities comparable to the one requested here will, commencing June 20, 1982, require a rate reduction filing which necessitates a type of justification different from that offered in this proceeding. We will authorize the proposed rates effective prior to June 20, 1982 to obviate the need for applicant's filing an application for a rate reduction in our truckaway reregulation program.

Findings of Fact

1. Applicant's proposed deviation from the provisions of MRT 12-A is justified.

2. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

3. A public hearing is not necessary.

Conclusion of Law

The application, as amended, should be granted.

O R D E R

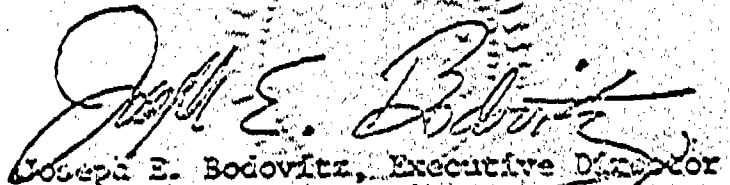
IT IS ORDERED that GRM, Inc. is authorized to depart from the provisions of MRT 12-A by assessing rates no less than those set forth in Appendix A.

This order is effective today.

Dated JUN 15 1982, at San Francisco, California.

JOHN E. BRYSON
President
RICHARD D. CRAVELLE
LEONARD M. CRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

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


Joseph E. Bodovitz, Executive Director

APPENDIX A

GRM, Inc.

Distance rates^{1/} in cents-per-vehicle for automobiles weighing less than 7,000 pounds each. Between points in California on transportation performed for Toyota Motor Sales U.S.A., Inc.

<u>Miles Not Over</u>	<u>Rates</u>	<u>Miles Not Over</u>	<u>Rates</u>	<u>Miles Not Over</u>	<u>Rates</u>	<u>Miles Not Over</u>	<u>Rates</u>
10	19.00	175	73.00	340	119.90	505	179.30
15	20.65	180	74.65	345	128.60	510	182.55
20	22.30	185	76.25	350	130.25	515	184.20
25	23.95	190	77.90	355	131.85	520	185.85
30	25.55	195	79.55	360	133.50	525	187.40
35	27.20	200	81.15	365	135.15	530	189.10
40	28.85	205	82.80	370	136.80	535	190.75
45	30.45	210	84.45	375	138.40	540	192.40
50	32.10	215	86.10	380	140.05	545	194.00
55	33.75	220	86.75	385	141.70	550	195.65
60	35.40	225	88.10	390	143.30	555	179.35
65	37.00	230	89.50	395	144.95	560	180.70
70	38.65	235	90.90	400	146.60	565	182.10
75	40.30	240	92.25	405	148.25	570	183.40
80	41.90	245	93.65	410	149.85	575	184.85
85	43.55	250	95.05	415	151.50	580	186.25
90	45.20	255	96.40	420	153.15	585	187.60
95	46.80	260	97.80	425	154.75	590	189.00
100	48.45	265	99.20	430	156.40	595	190.40
105	50.10	270	100.55	435	158.05	600	191.75
110	51.75	275	101.95	440	159.65	605	193.15
115	53.35	280	103.30	445	161.30	610	194.55
120	55.00	285	104.70	450	162.95	615	195.90
125	56.65	290	106.10	455	164.60	620	197.30
130	58.25	295	107.45	460	166.20	625	198.70
135	59.90	300	108.85	465	167.85	630	200.05
140	61.55	305	110.25	470	169.50	635	201.45
145	63.20	310	111.60	475	171.10	640	202.85
150	64.00	315	113.00	480	172.75	645	204.20
155	66.45	320	114.40	485	174.40	650	205.60
160	68.10	325	115.75	490	176.05	655	206.95
165	69.70	330	117.15	495	177.65	660	208.35
170	71.35	335	118.50	500	179.30	665	209.75
						670	211.10
						675	212.50

^{1/} Rates are not subject to surcharges named in Supplement 15 of MRT 12-A and include split delivery charges named in Note 1, Item 140 of MRT 12-A.

(END OF APPENDIX A)