

Decision No. 87626 JUL 19 1977

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation for  
the purpose of considering and determining  
minimum rates for transportation of motor  
vehicles and related items statewide as  
provided in Minimum Rate Tariff 12-A and  
the revisions or reissues thereof.

Case No. 5604  
Petition for Modification  
No. 58  
(Filed April 7, 1977)

O P I N I O N

Minimum Rate Tariff 12-A (MRT 12-A) contains minimum rates for the statewide transportation of motor vehicles and related commodities. Petitioner, California Trucking Association (CTA), seeks an increase of 6 percent.

The rates and charges in MRT 12-A were last adjusted by Decision No. 87052 dated March 9, 1977, which adjustment recognized increased costs generally as of June 1, 1976.

CTA alleges that since June 1, 1976 the costs have continued to increase and will again increase in the near future. Such increases are principally attributable to higher wages and fringe benefits payable pursuant to collective bargaining agreements. Additionally, legislation has caused increases in various payroll taxes, and there has been increases in workers' compensation insurance premiums. CTA further alleges that inflation has caused increased costs in virtually all goods and services utilized by motor carriers, including such essential components as parts, tires, insurance, equipment, fuel, and utilities. The petition seeks the increase to partially offset the impact of increased labor costs only.

It is estimated the sought increase will aggregate \$800,000 annually.

The Commission staff has analyzed the petition and is of the opinion that it is justified and should be granted.

Findings

1. The operating cost data underlying the existing level of MRT 12-A rates and charges do not reflect increases in costs since June 1, 1976.

2. The sought increase is intended to partially offset the impact of increased labor costs only.

3. The Commission staff has analyzed the petition and has concluded that it is justified and recommends that it be granted.

4. To the extent that the provisions of MRT 12-A have been found to constitute reasonable minimum rates and rules for common carriers as defined in the Public Utilities Code, those provisions as hereafter adjusted will be reasonable minimum rate provisions for those carriers. To the extent that the existing rates and charges of common carriers for the transportation involved are less in volume or effect than the minimum rates and charges herein designated as reasonable for said carriers, such lower rates and charges are, for the future, unjust and unreasonable.

5. A public hearing is not necessary.

Conclusions

1. Petition for Modification No. 58 in Case No. 5604 should be granted and MRT 12-A amended accordingly.

2. Common carriers should be authorized to depart from the long- and short-haul provisions of Section 461.5 of the Public Utilities Code and the Commission's tariff circular requirements only to the extent necessary to publish the cost offset surcharges ordered herein.

3. The effective date of this order should be the date on which it is signed because there is an immediate need for rate relief.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 12-A (Appendix A of Decision No. 85573, as amended) is further amended by incorporating therein, to become effective July 30, 1977, Supplement 1, attached hereto and by this reference made a part hereof.
2. Common carriers subject to the Public Utilities Act, to the extent that they are subject also to Decision No. 85573, as amended, are directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered by this decision.
3. Tariff publications required to be made by common carriers as a result of this order shall be made effective July 30, 1977 on not less than five days' notice to the Commission and to the public.
4. Common carriers, in establishing and maintaining the rates authorized by this order, are authorized to depart from the provisions of Section 461.5 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are hereby modified only to the extent necessary to comply with this order; and schedules containing the rates published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

5. In all other respects, Decision No. 85573, as amended, shall remain in full force and effect.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 19<sup>th</sup> day of JULY, 1977.

Ralph B. Baker  
President  
William J. Sproull Jr.  
Vernon L. Stangen  
Richard P. Howell  
Commissioners

Commissioner CLAIRE T. DEDRICK

Present but not participating.

SUPPLEMENT 1

(Supplement 1 Contains All Changes)

TO

MINIMUM RATE TARIFF 12-A

NAMING

MINIMUM RATES AND RULES

FOR THE

TRANSPORTATION OF MOTOR VEHICLES

(As described herein)

IN SECONDARY MOVEMENT

BY

TRUCKAWAY SERVICE

OVER THE PUBLIC HIGHWAYS WITHIN THE

STATE OF CALIFORNIA

BY

RADIAL HIGHWAY COMMON CARRIERS

HIGHWAY CONTRACT CARRIERS

Application of Surcharge

Except as otherwise provided, compute the amount of charges in accordance with the rates and rules of this tariff and increase the amount so computed by six percent.

Exception: The surcharge herein shall not apply to the railhead-to-railhead charges computed under provisions of Items 180 through 210.

For purposes of disposing of fractions under provisions hereof, fractions of less than one-half cent shall be dropped and fractions of one-half cent or greater shall be increased to the next higher whole cent.

✓ Increase, Decision No.

87625

EFFECTIVE

Issued by the  
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
State Building, Civic Center  
San Francisco, California 94102