

ORIGINAL

Decision No. 87886 SEP 20 1977

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 uncrated new     )  
furniture statewide as provided in)  
Minimum Rate Tariff 11-A and the     )  
revisions or reissues thereof.     )

Case No. 5603  
Petition for Modification  
No. 210  
(Filed May 24, 1977)

O P I N I O N

By this petition the California Trucking Association (CTA) requests the Commission to increase the rates in Minimum Rate Tariff 11-A (MRT 11-A). MRT 11-A covers the transportation of uncrated new furniture by highway carriers subject to Division 2 of the Public Utilities Code. The rates and charges in MRT 11-A were last adjusted by Decision 87249 dated April 26, 1977 in Petition 196 to give recognition to increased labor and labor-related costs and increases in fuel costs.

The CTA makes the following points in its plea for an adjustment:

1. Since the last increase ordered in MRT 11-A, the costs of conducting motor carrier operations have continued to increase and will increase in the near future. Such increases are principally attributable to higher wages and fringe benefits payable beginning July 1, 1977.

2. Increases of substance are now payable by carriers because of higher social benefit taxes and increased levels of workers' compensation insurance. Such increases affect all categories of employees including truck drivers, helpers, maintenance employees and clerical employees.

3. The upward trend of inflationary pressures in the economy continues to affect carrier operations adversely.

4. As a result of such increases and changes in costs, the minimum rates and charges provided in MRT 11-A are unreasonably low. An adjustment is necessary in order to bring such rates and charges to a reasonable minimum level.

CTA proposes adjustments in the present surcharges of 5 percentage points. The Commission's Transportation Division recommends increases of 4 percentage points. This latter recommendation would produce estimated additional yearly revenues of approximately \$343,000, and appears to approximate the amount of increase needed by the industry under the direct wage offset method of measuring increased costs. Since the staff is well advanced into its full-scale study of MRT 11-A, increases developed under the direct wage offset method appear appropriate for the purposes of this proceeding. The Commission's Transportation Division Director recommends that the staff's proposal be granted ex parte in the absence of protest. There are no protests.

#### Findings

1. Carrier costs for rendering service subject to MRT 11-A have increased since the tariff was last adjusted by Decision 87249 dated April 26, 1977.

2. The amended rates and charges proposed by the Transportation Division for MRT 11-A are reasonable and the tariff should be amended accordingly.

3. To the extent that the provisions of MRT 11-A have been found heretofore to constitute reasonable minimum rates and rules for common carriers as defined in the Public Utilities Code, said provisions, as hereinafter adjusted, are, and will be, reasonable minimum rate provisions for said common carriers. To the extent that the existing rates and charges of said common carriers for the transportation involved are less in volume or effect than the minimum rates and charges herein designated as reasonable for such carriers, to that same extent the rates and charges of said carriers are hereby found to be, now and for the future, unreasonable, insufficient, and not justified by the actual rates of competing carriers or the costs of other means of transportation.

4. A public hearing is not necessary.

We conclude that MRT 11-A should be amended in accordance with the foregoing findings and as specifically set forth in Supplement 20 attached hereto.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 11-A (Appendix A of Decision 50114, as amended) is further amended by incorporating therein, to become effective twenty-five days after the date hereof, Supplement 20, attached hereto and by this reference made a part hereof.

2. Common carriers subject to the Public Utilities Code, to the extent that they are subject to Decision 50114, as amended, are directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered by this decision.

3. Common carriers maintaining rates on a level other than the minimum rates for transportation for which rates are prescribed in Minimum Rate Tariff 11-A are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 11-A rates.

4. Common carriers maintaining rates on the same level as Minimum Rate Tariff 11-A rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff 11-A are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 11-A rates.

5. Common carriers maintaining rates at levels other than the minimum rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff 11-A are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 11-A rates.

6. Tariff publications required to be made by common carriers as a result of this order shall be filed not earlier than the effective date of this order and made effective twenty-five days after the date hereof, on not less than ten days' notice to the Commission and to the public; such tariff publications as are authorized shall be made effective not earlier than twenty-five days after the date hereof,

on not less than ten days' notice to the Commission and to the public and this authority shall expire unless exercised within sixty days after the effective date of this order.

7. Common carriers are authorized to depart from the Commission's tariff circular requirements only to the extent necessary in establishing the interim surcharge authorized by this order.

8. 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.

9. In all other respects, Decision 50114, as amended, shall remain in full force and effect.

Since carriers are already incurring the increased costs to be offset by the rates authorized herein, the effective date of this order is the date hereof.

Dated at San Francisco, California, this 20th day of SEPTEMBER, 1977.

Rabot Batistich  
President  
William J. Gerson  
Vernon L. Springer  
Richard D. Howell  
Clair J. Deloria  
Commissioners

SPECIAL INCREASE SUPPLEMENT

SUPPLEMENT 20

(Cancels Supplements 18 and 19)

(Supplement 20 Contains All Changes)

TO

MINIMUM RATE TARIFF 11-A

NAMING

MINIMUM RATES AND RULES

FOR THE

TRANSPORTATION OF UNCRATED NEW FURNITURE

OVER THE

PUBLIC HIGHWAYS WITHIN THE

STATE OF CALIFORNIA

BY

RADIAL HIGHWAY COMMON CARRIERS

AND

HIGHWAY CONTRACT CARRIERS

APPLICATION OF SURCHARGE

(See Page 2 of this Supplement)

Decision No.

87886

EFFECTIVE

10/15/77

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

APPLICATION OF SURCHARGE

Except as otherwise provided, compute the amount of charges in accordance with the provisions of this tariff, including any surcharges applicable thereto under other supplements to this tariff, and increase the resulting total amount by:

- (a) Ten (10) percent on all shipments subject to minimum weights of two thousand (2,000) pounds, or more; and by
- (b) Seventeen (17) percent on all other shipments.

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.

THE END

9 Increase, Decision No.

87886