

ORIGINAL

Decision No. 88166 NOV 29 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investiga-)
tion for the purpose of consid-)
ering and determining minimum)
rates for transportation of)
petroleum and petroleum products)
in bulk, in tank truck equipment)
statewide as provided in Minimum)
Rate Tariff 6-B and the revi-)
sions or reissues thereof.)

Case No. 5436
Petition for Modification
No. 258
(Filed October 11, 1977)

OPINION AND ORDER

Minimum Rate Tariff 6-B (MRT 6-B) names minimum rates and rules for statewide transportation of bulk petroleum products in tank truck equipment. By this petition, California Trucking Association seeks to amend the distance volume incentive rates in Item 529 by reducing the distance rates in connection with monthly and yearly incentive rate agreements.

Petitioner states that the distance volume incentive rates in Item 529 were established under special circumstances and were designed to meet the needs of shippers who have insufficient traffic to enable a commitment to monthly and yearly volume tender provisions, but who have enough traffic to make a lesser but firm dollar commitment. The proposal was intended to assist in stemming further shifts of traffic to proprietary carriage by these shippers.

Petitioner declares that experience has indicated that rates realized as currently provided in Item 529, have been instrumental in attracting a volume of movement previously transported via proprietary carriage and have been successful in accomplishing the intended purpose of stemming further shifts of traffic to proprietary transportation. This same experience also suggests that additional gallonage may be diverted from proprietary to for-hire carriage with incentives which further modification of the item can provide.

The petition was listed on the Commission's Daily Calendar of October 13, 1977. No objection to the granting of the petition has been received.

In the circumstances, the Commission finds that petitioner's proposal, as set forth in Exhibit A of the petition, is reasonable and the resulting rates and charges will be just, reasonable and nondiscriminatory minimum rates and charges for the transportation involved. A public hearing is not necessary. The Commission concludes that the petition should be granted as set forth in the ensuing order and the effective date of this order should be the date hereof because there is an immediate need for this rate relief.

IT IS ORDERED that:

1. Minimum Rate Tariff 6-B (Appendix A to Decision 82350, as amended) is further amended by incorporating therein, to become effective twenty-five days after the date hereof, Third Revised Page 44-I 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 82350, as amended, are hereby authorized to establish in their tariffs the amendments necessary to conform with the further adjustments ordered herein.

3. Tariff publications authorized to be made by common carriers as a result of this order may be made effective on not less than ten days' notice to the Commission and to the public if filed not later than sixty days after the effective date of the minimum rate tariff pages incorporated in this order.

4. Common carriers, in establishing and maintaining the amendments authorized hereinabove, are hereby 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 amendments 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 82350, 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 29th
day of NOVEMBER, 1977.

I dissent.
William G. Brown Jr.
L. A. L. L. L.
Clare T. Dedrich

Rolund B. Bickman
President

Vernon L. Sturgeon
Richard P. Howell

Commissioners

SECTION 4--VEHICLE UNIT RATES (Continued)	ITEM				
<p style="text-align: center;">DISTANCE VOLUME INCENTIVE RATES</p> <p>1. The provisions of this item apply only when transportation is performed subject to and in accordance with the provisions of this item, and apply when carrier's unit(s) of equipment is (are) used to transport commodities as described in Rate Group A, B, C or I of Item 30 from points of origin located within 60 miles of the first point of origin of the tender to points of destination located within 250 miles of the first point of origin.</p> <p>2. The provisions of this item apply only when prior to the transportation of the property, the consignor has elected the use of either Monthly or Yearly Volume Incentive Rates and has requested verbally or in writing that transportation be performed under the provisions of this item. In the event that the request is made verbally, the consignor shall place a confirming written request in the United States mail the same day that the verbal request is made. (For form of agreement, see Item 530.)</p> <p>3. All applicable rates and charges must be paid by the consignor and shall be applied, subject to Notes 1 through 6, as follows:</p> <p>a) When a Monthly Incentive Rate Agreement has been designated, the applicable rate shall be 690% of the Distance Rates for Rate Groups A, B, C as set forth in Item 400, and shall include transportation of commodities described in Rate Group I.</p> <p>b) When a Yearly Incentive Rate Agreement has been designated, the applicable rate shall be 685% of the Distance Rates for Rate Groups A, B, C as set forth in Item 400, and shall include transportation of commodities described in Rate Group I.</p> <p>NOTE 1.--In the application of rates provided in this item, shippers must place dispatch orders by 4:30 P.M. on the day prior to the day of delivery; and shippers and consignees must have their premises available to carriers to permit loading and unloading in an order that will allow carrier to maintain a twenty-four (24) hour a day schedule.</p> <p>NOTE 2.--As used in this item, Monthly Incentive Rates shall mean rates based upon 720 consecutive hours; except that when the incentive period commences on the 1st day of a calendar month, the incentive rate provisions will cover the full calendar month. As used in this item, Yearly Incentive Rates shall mean rates based upon 12 consecutive months (8760 consecutive hours). In those years when a calendar month has 29 days it shall mean 8784 consecutive hours.</p> <p>NOTE 3.--Carrier is not obligated to assign more than one unit of carrier's equipment to haul the total gallonage tendered, such unit of carrier's equipment to contain no meters or pumps.</p> <p>NOTE 4.--All shipments transported under the Monthly Incentive Agreement must be tendered and loaded within the monthly incentive period. A shipment loaded but not delivered within the monthly incentive period will be completed and charged under the provisions of this item.</p> <p>All shipments transported under a Yearly Incentive Agreement must be tendered and loaded within the yearly incentive period. A shipment loaded but not delivered within the yearly incentive period will be completed and charged under the provisions of this item.</p> <p>NOTE 5.--When transportation is performed under the provisions of this item, all rules, accessorial services and additional charges provided elsewhere in this tariff shall apply.</p> <p>NOTE 6.--Rates in this item are subject to the following minimum charges:</p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>Monthly Incentive Agreement</td><td>\$ 9,070.00</td></tr> <tr> <td>Yearly Incentive Agreement</td><td>\$96,030.00</td></tr> </table>	Monthly Incentive Agreement	\$ 9,070.00	Yearly Incentive Agreement	\$96,030.00	<p>(E) 529</p>
Monthly Incentive Agreement	\$ 9,070.00				
Yearly Incentive Agreement	\$96,030.00				
<p>(E) Expires with April 30, 1978.</p> <p>o Change) o Reduction) Decision No. 88166</p>					
<p style="text-align: right;">EFFECTIVE December 24, 1977</p> <p style="text-align: center;">ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p> <p>Correction</p>					