

Decision No. 90027 (FEB 27 1979

ORIGINAL

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. 278
(Filed December 12, 1978)

OPINION AND ORDER

Minimum Rate Tariff 6-B (MRT 6-B) names minimum rates and rules for the transportation of petroleum and petroleum products in bulk, in tank truck equipment, by petroleum contract carriers. By this petition, California Trucking Association requests that the Commission amend the minimum charges in Item 529 (Distance Volume Rates) of MRT 6-B in connection with Monthly and Yearly Incentive Agreements. These provisions, which are known as vehicle tender rates, were originally established in MRT 6-B on an experimental basis to enable a period of shipper and carrier exposure to the new concept.

Petitioner states that it believes that this proposed reduction in the minimum charges is consistent with the original purpose of Item 529 and that the proposed reduction generally is desired by shippers and carriers alike and will promote just and reasonable rates and service in the public interest.

Petitioner avers that from time to time, the Commission has modified the provisions of this item in order to have its minimum rate structure responsive to changing conditions of transportation and distribution patterns of shippers; and that the rates in Item 529 were established to meet the needs of shippers who have insufficient traffic to commit themselves to monthly and yearly volume tender provisions in other items. Relief from the long- and short-haul provisions of Sections 460 and 461.5 is also sought.

The petition was listed on the Commission's Daily Calendar of December 17, 1978. No objection to the granting of the petition has been received.

A change not involved in this proceeding will be made on the tariff page herein being revised.¹

In the circumstances, the Commission finds that petitioner's proposal 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.

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 May 1, 1979, Seventh 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 by this decision.

3. Tariff publications authorized to be made by common carriers as a result of this order may be made effective not earlier than May 1, 1979, and may be made effective on not less than five 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 page incorporated in this order.

4. Common carriers, in establishing and maintaining the amendments 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

¹ The expiration date of Item 529 shall be extended until April 30, 1980.

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.

6. The Executive Director shall serve a copy of this decision on every common carrier, or such carriers' authorized tariff publishing agents, performing transportation services subject to Minimum Rate Tariff 6-B.

7. The Executive Director shall serve a copy of each tariff amendment on each subscriber to Minimum Rate Tariff 6-B.

The effective date of this order is thirty days after the date hereof.

Dated at San Francisco, California, this 27th
day of FEBRUARY, 1979.

John E. Conroy
President
George L. Sturgeon
Robert W. Howell
Walter J. DeLoach
James H. Quinn
Commissioners

MINIMUM RATE TARIFF B-B

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 Groups A, B, C, E 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 7, as follows:</p> <p>a) When a Monthly Incentive Rate Agreement has been designated, the applicable rate shall be 90% of the Distance Rates for Rate Groups A, B, C, or E 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 85% of the Distance Rates for Rate Groups A, B, C, or E 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 (1) 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 border="0" style="margin-left: 40px;"> <tr> <td>Monthly Incentive Agreement</td> <td>\$ 5,000.00</td> </tr> <tr> <td>Yearly Incentive Agreement</td> <td>\$50,000.00</td> </tr> </table> <p>NOTE 7.--When the shipper elects to utilize this item for transportation of a Rate Group E Commodity, the shipper will be restricted to the transportation of that one commodity for the period of the tender.</p>	Monthly Incentive Agreement	\$ 5,000.00	Yearly Incentive Agreement	\$50,000.00	<p>(E) 8527</p>					
Monthly Incentive Agreement	\$ 5,000.00									
Yearly Incentive Agreement	\$50,000.00									
<p>§00(E) Expires with April 30, 1980.</p> <table border="0" style="margin-left: 40px;"> <tr> <td>o Change</td> <td>)</td> <td></td> </tr> <tr> <td>o Increase</td> <td>)</td> <td>Decision No.</td> </tr> <tr> <td>o Reduction</td> <td>)</td> <td></td> </tr> </table> <p style="text-align: right; font-size: 1.5em; margin-right: 20px;">90027</p>	o Change)		o Increase)	Decision No.	o Reduction)		
o Change)									
o Increase)	Decision No.								
o Reduction)									
EFFECTIVE MAY 1, 1979										
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.										

Correction