

Decision No. 90032 1 FEB 27 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Western Motor)	
Tariff Bureau, Inc., under the)	
Shortened Procedure Tariff Docket)	
to publish for and on behalf of)	Shortened Procedure
California Freightways, provi-)	Tariff Docket
sions resulting in increases)	Application No. 58541
because of the proposed cancel-)	(Filed December 18, 1978)
lation of specific exception)	
classes applicable to fertil-)	
izers, and small shipment service.))	

OPINION AND ORDER

By this application, Western Motor Tariff Bureau, Inc., Agent (WMTB), seeks authority on behalf of California Freightways (CF), to amend WMTB Exception Sheet 1-B, Cal. P.U.C. No. 34 (ES 1-B), and Local, Joint and Proportional Freight and Express Tariff No. 111, Cal. P.U.C. No. 15 (Tariff 111) as follows:

- A. Cancel the participation of CF on fertilizers in Item 250050 of ES 1-B.
- B. Publish a new commodity item as Item 4626 in Tariff 111 on fertilizers, as described in Item 250050 of ES 1-B. In addition, rates in Item 4626 will also apply on fungicides and insecticides, agricultural.
- C. Cancel the participation of CF in Item 620 of Tariff 111, (Small Shipment Service).

Applicant states that CF became a participant in the class rating of 50.1 for fertilizers on less-than-truckload traffic and class rating of 35.4 on truckload traffic in Item 250050 of ES 1-B on June 3, 1976. During the past two and a half years that CF has been a participant to the exception classes on fertilizers, it has been determined that traffic tendered under Item 250050 is limited to a few shippers and is of the type where the shipper or shippers are willing to release such shipments based on one-half actual value, or 25 cents per pound, per article, whichever is lower.

CF is of the opinion that if it is to continue transporting fertilizers and recover its costs for transporting such commodities, the proposed restrictions contained in new Item 4626 are necessary. Otherwise, CF is almost certain to sustain losses on shipments of fertilizers in the future. In order to maintain the current rate structure, CF proposes to assess a class 35.2 rate on shipments of 36,000 pounds and a class 35.4 rate on fertilizer shipments of 45,000 pounds.

Applicant declares that CF became a participant to Item 620 (Small Shipment Service) of Tariff 111 on July 1, 1976. Rates in this item apply only to prepaid shipments released to a value of 50 cents per pound or less per article; weighing not over 500 pounds and moving for distances not in excess of 150 constructive miles. No significant amount of traffic has ever been tendered to CF under the provisions of Item 620. CF is of the opinion that further promotional expenses to induce shippers to utilize Item 620 would probably not generate sufficient new traffic to be of benefit to CF.

Applicant has been informed by CF that in the event this application is granted and tariff publications are made, CF would expect to increase its annual gross revenue by approximately \$7,000. The increases resulting from the proposals herein would not increase CF's California intrastate gross revenue by as much as one percent.

The application was listed on the Commission's Daily Calendar of December 26, 1978. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that the proposed changes are justified. A public hearing is not necessary. The Commission concludes that the application should be granted as set forth in the ensuing order.

IT IS ORDERED that:

1. Western Motor Tariff Bureau, Inc., Agent, on behalf of California Freightways, is hereby authorized to publish in its Exception Sheet No. 1-B, Cal. P.U.C. No. 34 and Local, Joint and

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Proportional Freight and Express Tariff No. 111, Cal. P.U.C. No. 15 as specifically set forth in Appendices A, B and C of its application.

2. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

3. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

This order shall become effective thirty days after the date hereof.

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

John E. Boyer
President
James L. Stegman
Richard D. Gould
Philip T. ...
James W. ...
Commissioners