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Decision No. <u>90171</u> APR 10 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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In the matter of the Application of Highway Carriers Association for authority to publish tariffs for Highway Common Carriers in California pursuant to the provisions of Section 496 of the Public Utilities Code.

Application No. 58456 (Filed November 3, 1978) (Amended January 26, 1979) (Amended February 26, 1979)

OPINION AND ORDER

The Highway Carriers Association, a California corporation, requests approval of an agreement in accordance with the provisions of Section 496 of the Public Utilities Code.

Applicant has provided a list of those of its members who serve on applicant's board of directors, one of whom is a non-carrier. Applicant states that the application is not made on behalf of any specific members. Applicant presumes that its members will be highway common carriers, after execution of SB 860, and alleges that it cannot predict which of its members will participate in any tariff issued by the Highway Carriers Association.

Applicant was organized to provide various benefits for its members, which include compiling tariffs, insurance programs, representation of its members' interests in legislation, and membership in a federally chartered credit union. Applicant asserts that its objective is to provide benefits for all its members which might otherwise be too difficult or costly for the individual to obtain. Applicant proposes to issue a tariff or tariffs, in which any of its members may participate, pursuant to an Agreement For Rates and Tariffs set forth in Substitute Exhibit 1 to Amended Application 58456.

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A twelve-member board of directors, elected to a threeyear term by the membership, will direct the general business of applicant. Conferences, consisting of not less than 25 regular members having a similar interest, may be established for the purpose of representing interests in common to that group. Each conference must be approved by the board of directors, must select a chairman by majority vote, and may select one of its members to serve on the board of directors in addition to the twelve-member board. Actions and recommendations of a conference are subject to approval by the board of directors, and must be filed with the Public Utilities Commission within 120 days.

Applicant's Rules of Procedure provide that specific rates or rules requested by individual carriers will be published upon request. Any member may participate in tariffs issued by the Highway Carriers Association, and may jointly consider, initiate and establish rates, rules and regulations, by executing an Agreement For Rates and Tariffs and a power of attorney. Every carrier member retains the right of independent action either before, during or after any determination arrived at under applicant's Rules of Procedure and By-Laws.

Applicant asserts that it is in the public interest that the Commission grant the requested approval of the agreement, pursuant to Section 496 of the Public Utilities Code, to the same extent and degree as the Commission has granted such approval to other applicants.

After consideration, the Commission finds that the agreement proposed by applicant is not prohibited by Subdivisions (d), (e), or (f) of Section 496 of the Public Utilities Code and that the agreement as well as the rules, regulations and procedures as set forth in Exhibits 1 through 6 and Substitute Exhibit 1 attached to the amended application, are fair and reasonable and are not contrary to public policy. A public hearing is not necessary. The Commission concludes that the Agreement For Rates and Tariffs of the Highway Carriers Association should be approved.

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IT IS ORDERED that the agreement as set forth in Substitute Exhibit 1 attached to the amended application is approved.

The applicant is hereby put on notice that the rules, practices, and procedures approved by this order may be modified as a result of evidence presented in a Commission investigation (Case No. 10368) into the rules, practices, procedures, and activities of all rate bureaus operating pursuant to Public Utilities Code Section 496 agreements.

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

Dated at <u>Sen Francisco</u>, California, this <u>10^{C4}</u> day of <u>APRIM</u>, 1979.

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