

Decision No. 91836 MAY 20 1980

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's)
own motion to establish require-)
ments to be met by applicants for)
highway carrier authority issued)
by the Commission.)

Case No. 10278
(Phase II-Topics 5 & 6)

ORDER GRANTING LIMITED REHEARING

In Decision 91247 issued January 15, 1980 the Commission authorized unlimited cross authority subhauling among highway carriers, required prime carriers to provide subhaulers with copies of rated freight bills covering shipments they transport, and established an experimental program of carrier filed subhaul rates. Petitions for rehearing were filed by the California Trucking Association, the California Dump Truck Owners Association, California Carriers Association, Associated Independent Owner-Operators, Bay Area Construction Truck Owners Coalition and, by letter, the Highway Carriers Association.

The Commission has considered each and every allegation of these petitions and is of the opinion that no legal basis for rehearing has been stated. It is clear from the petitions, however, that our decision to allow cross authority subhauling in the dump truck field is very controversial. Subhauling is more prevalent in dump truck transportation than in any other segment of the industry, but has historically been limited to carriers holding dump truck permits. The petitions for rehearing filed with respect to this issue suggest that there may be compelling policy reasons for preserving some limitations on

subhauling in this field which were not fully considered in the hearings in Case 10278. We are of the opinion that rehearing should be granted to review this issue.

A related issue raised by the Commission staff also warrants further review. Residency is a prerequisite for all operating authorities from the Commission except seasonal agricultural and seasonal livestock permits. The seasonal peak demand for this type of transportation may easily justify these exceptions. Under Decision 91247, however, carriers holding either of these permits are allowed to subhaul in other transportation fields where similar considerations may not be involved. This issue was not considered in the hearings in Case 10278, but should be considered upon rehearing.

IT IS ORDERED that rehearing of Decision 91247 is granted limited to the following issues:

- (1) Whether restrictions should be placed on dump truck subhauling by carriers who do not hold dump truck permits, and
- (2) Whether restrictions should be placed on subhauling by seasonal agricultural and seasonal livestock carriers.

In all other respects rehearing is denied.

The effective date of this order is the date hereof.

Dated MAY 20 1980, at San Francisco, California.

John E. Bayon
President

Virginia L. Stanger

Charles R. Howell

Clayton J. DeWilde

Thomas J. Smith
Secretary