

ORIGINAL

Decision No. 92152 AUG 19 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
for the purpose of considering and)
determining minimum rates for)
transportation of any and all)
commodities statewide, including)
but not limited to, those rates)
which are provided in Minimum Rate)
Tariff 2 and the revisions or)
reissues thereof.)

Case No. 5432
Petition for Modification
No. 1057
(Filed April 10, 1980)

ORDER OF DISMISSAL

In this petition, Airway Trucking Company, a highway common carrier, seeks authority under Section 452 of the Public Utilities Code to assess a rate less than the minimum rate set forth in Minimum Rate Tariff 2 (MRT 2) for the transportation of glass from Lathrop to points in California as more fully described in the petition.

In Decision No. 90663, the Commission abolished minimum rate regulation of general commodity transportation and established in lieu thereof a more competitive regulatory system of carrier-filed rates. General commodity minimum rate tariffs, including MRT 2, were canceled April 30, 1980. New procedures established in Decision No. 90663 to begin the transition to carrier-set rates became effective on the same date. Under these transition rules, no formal application is required for carriers to reduce rates. Depending upon the nature of the rate proposed, however, advance notice and a statement of justification may be required.

In summary, the transition procedures applicable to rate reductions are as follows. Transition tariffs were established and effective April 30, 1980, to serve as a threshold for rate justification requirements during the transition period. The transition tariffs consist of the rates contained in general commodity minimum rate tariffs on April 30, 1980, and include any rate deviations in effect on that date.

Common carrier tariff rate reductions, which result in rates at or higher than the applicable transition tariff rates, may be filed without justification, but must be filed on at least 30 days' notice except where filed to meet the charges of a motor carrier competitor. Rates lower than the lowest applicable rate in the transition tariff must be filed with a statement of justification. Such justification may consist either of a simple reference to a motor carrier competitor's rate being met, or operational and cost data showing that the proposed rate will cover prevailing labor costs and contribute to the profitability of the filing carrier. Rates filed to meet the charges of motor carrier competitors must be accompanied by a reference to the rate being met, but may be filed without further justification and may be made effective the date filed with the Commission. Rates below both the transition tariff and the charges of competing carriers must be filed with operational and cost data showing that the proposed rate will cover prevailing labor costs and contribute to the filing carrier's profitability. All rates below the transition tariff, and the charges of competing carriers, must be filed on 30 days' notice and will become effective 30 days after the date filed, absent protest. All rates will be subject to review upon the filing of a formal complaint. See Decision No. 90663 for a complete outline of the new regulatory program.

Since these transition rules require no formal petition or application for common carrier rate reductions, this petition should be dismissed without prejudice to the filing of the proposed rates in accordance with our new procedures.

IT IS ORDERED that Petition for Modification No. 1057 in Case No. 5432 is dismissed without prejudice.

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

Dated AUG 10 1966, at San Francisco, California.

John E. Byron
President

William L. Steagerson

Clair J. [unclear]

Arnold W. [unclear]
Commissioners

Commissioner Richard D. Gravelle, being necessarily absent, did not participate in the disposition of this proceeding.