

(SPT) A. 59931 - T/PNK/BW\*\*

ORIGINAL

Decision No. 92458 DEC 2-1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Western Motor Tariff)  
Bureau, Inc., under Shortened )  
Procedure Tariff Docket for and on )  
behalf of A & B Transportation )  
Services, Inc., to amend Bureau )  
Tariff No. 111 which results in )  
increases. )

Shortened Procedure  
Tariff Docket  
Application No. 59931  
(Filed September 8, 1980)

OPINION AND ORDER

By this application, Western Motor Tariff Bureau, Inc., Agent (WMTB) for and on behalf of A & B Transportation Services, Inc. (A & B), requests authority to add a new item to WMTB Local, Joint and Proportional Freight and Express Tariff No. 111, Cal. P.U.C. No. 15 (WMTB 111) regarding released valuations.

The proposed item provides that shipment released to a value exceeding \$10 per pound per package shall be subject to an excess valuation charge of 50 cents per \$100 or fraction thereof by which the released value exceeds that for which the applicable rate or charge applies.

Applicant states that the great majority of traffic handled by A & B consists of garments, in boxes or cartons. With the volume handled by A & B on a day to day basis a small percentage of claims are anticipated and figured as a cost of doing business. Ordinary risk is an element that is considered in making rates.

(SPT) A. 59931 - T/BW\*\*

There is greater risk in carrying expensive goods than in carrying inexpensive goods; in case of loss or damage A & B must pay claims based upon the value of the goods. Some garments are quite valuable, and it is this extraordinary risk to which this application is addressed. A & B is not always apprised of the valuation of the garments being transported, until a claim for loss or damage is filed. A & B is of the opinion that the higher level of charges as proposed herein, and which are similar to those being assessed by certain other carriers, more readily reflect their cost of performing the service of transporting high value merchandise. The publication proposed herein also protects the carrier in the event the shipper of high value merchandise fails to indicate high valuation on the bill of lading at the time of shipment.

A & B estimates that for the first seven months of 1980, its payment of claims would have been \$30,000 less under the proposed rule than what was actually paid. It also feels however, that a statement on the shipping papers as to a high released value should encourage its employees to be more protective of such shipments, thereby lessening the chance for a claim. In no event would the proposed publication increase its California intrastate gross revenue by as much as one percent. The increases are within the President's wage-price guidelines.

(SPT) A. 59931 - T/BW\*

The application was listed on the Commission's Daily Calendar of September 12, 1980. 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 A & B Transportation Services, Inc., is authorized to publish in its Local, Joint and Proportional Freight and Express Tariff No. 111, Cal. P.U.C. No. 15, the amendment as set forth in its application.

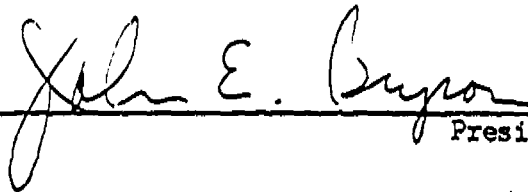
2. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

(SPT) A. 59931 - T/BW\*

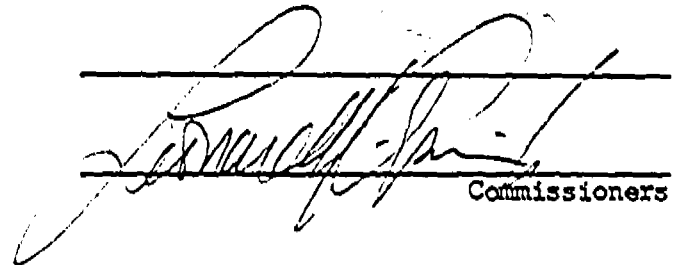
3. The authority granted herein shall expire unless exercised within ninety days after the effective date of this order.

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

Dated DEC 2 - 1980, at San Francisco, California.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_

  
\_\_\_\_\_  
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.