

ORIGINAL

Decision No. 92481 DEC 2- 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

TRUCKING UNLIMITED,)	
Complainant,)	
v.)	Case No. 10923
DAVIS TRUCKING,)	(Filed October 31, 1980)
Defendant.)	

ORDER TO SHOW CAUSE WHY CONTRACT
CONTAINING MOTOR CARRIER RATE
REDUCTION SHOULD NOT BE SUSPENDED

Trucking Unlimited (complainant), a highway contract carrier and a highway common carrier, complains that RR-38, a contract between Davis Trucking (defendant) and National Gypsum Company (National) filed with the Commission on July 29, 1980, is improperly and inadequately supported by data showing the proposed reduced rates will be reasonable, and requests that RR-38 be suspended by the Commission until it has the opportunity to review that filing based on the evidence to be produced at a formal hearing.

In support of its request for suspension of RR-38, complainant alleges as follows: Complainant has transported shipments made by National and is heavily engaged in the business of transporting commodities manufactured and sold by National. Defendant's filing provides no basis upon which to conclude that defendant is operating at a profit at the rates set forth in RR-38 and the filing does not meet the criteria established for such filings set forth in Decision No. 90663, nor does the filing comply with Sections 1702 and 3662 of the Public Utilities Code. The complainant specifies in detail the alleged deficiencies in defendant's support documents filed with RR-38.

We have reviewed the allegations of the complainant and the support data supplied with RR-38. Several deficiencies appear in defendant's showing, and data furnished with RR-38 are insufficient to adequately show that the rate reductions will be compensatory and will comply with the standards established in Decision No. 90663. Further information should be supplied by defendant as follows:

- (1) The current prevailing wage rates that meet the requirements of Decision No. 91265 dated January 15, 1980 in OII 53 (prevailing wages for use in establishment of carrier-filed rates).
- (2) The single cost rate comparison in the support statement is for a distance of 40 miles. Additional cost-rate comparisons for other lengths of haul up to 700 miles should be supplied.
- (3) The support statement does not show the number of hours required to load and unload the equipment, or whether the carrier or shipper will provide that service.
- (4) The support statement does not explain whether return loads will be handled, nor the revenue contribution of the return loads to offset total round trip costs of operations.

Unless satisfactory additional data are supplied by the defendant, the reduced rates in RR-38 will not have been shown to be compensatory and, thus, will not comply with our orders in Decisions Nos. 90663 and 91265.

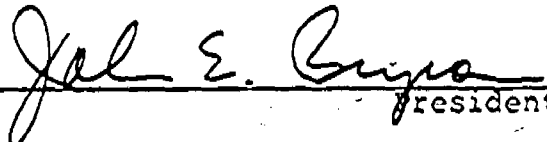
Therefore, IT IS ORDERED that:

1. Defendant, James Davis, Davis Trucking, 5911 Orange Avenue, Cypress, California 90630 is directed to appear at a public hearing in Case No. 10923 scheduled before Administrative Law Judge John Mallory at 10:00 a.m., ~~Monday, January 19, 1981~~ ^{Friday, December 19, 1980} in the Commission Courtroom, State Building, 350 McAllister Street, San Francisco, California and to show cause why the rates in RR-38 should not be suspended. Defendant shall supply the additional support data described in numbered paragraphs 1 through 4 above.

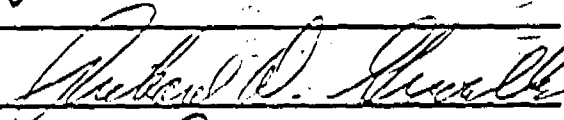
2. The Executive Director is ordered to cause personal service of this order on Mr. James Davis, and to mail a copy of this order to complainant.

The effective date of this order is 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.