

**ORIGINAL**Decision 92976 APR 21 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 PANTHER LINES, INC. (File T-111125) )  
 for a rate reduction from the rates )  
 in Transition Tariff No. 2. )

I&S Case 10968  
 (Filed March 19, 1981)

ORDER REJECTING CONTRACT CARRIER  
 RATE REDUCTION FILING

Rate Reduction Filing RR-279 was filed on March 5, 1981 by Panther Lines, Inc., (T-111125). RR-279 is a contract between Panther Lines, Inc., (respondent) and Transbay Distribution Centers, Inc., providing reduced rates for the transportation of canned goods from Sacramento to points in central and northern California within 300 miles of Sacramento. Attached to RR-279 is a summary of the estimated operating costs and revenues of respondent pertaining to the contract.

RR-279 was suspended on March 20, 1981. The Commission's suspension notice directed the filing of the following additional data by respondent.

1. Time allowance for loading/unloading of carrier equipment and the charge to be assessed if this time is exceeded.
2. Charges for delays to equipment if they occur.
3. If substantial use of subhaulers is to be made, subhauler costs must be shown.
4. Fixed costs for equipment including trailer.
5. A traffic flow of the projected traffic originating at Sacramento.

A protest to RR-279 filed by Chichester Transportation Company, Inc.; Kimkris Trucking Co., Inc.; Arrow Trucking Co. of California, Inc.; and Overland Transport, Inc.; (protestants), was docketed as I&S Case 10968 on March 19, 1981. The protest alleges

that the justification showing submitted in support of RR-279 is deficient in several respects. For example, protestants assert that no provision is made for loading and unloading costs, maintenance costs and equipment costs are substantially understated, and indirect costs are well below those experienced by competing carriers. Moreover, no balance sheet or income statement accompanied the justification statement.

Protestants also point out that carrier File T-111125 is assigned to Kenneth Carl Wolbers, doing business as Panther Lines, and, at the time RR-279 was filed, Panther Lines, Inc. held no operative authority from this Commission. A contract carrier permit subsequently has been issued to Panther Lines, Inc. under carrier File T-134316.

The response to petitioners' request for suspension filed April 8, 1981 presents arguments in support of the cost data used, and adds costs for trailers. The response states that Panther Lines, Inc.'s indirect costs are far below industry standards due to its relationship with Transbay Distribution Centers, Inc. The response states that indirect expenses for terminal and office facilities are not incurred by Panther Lines, Inc. Further explanation of this arrangement is not set forth. The response states that subhaulers will not be used. However, no equipment list is furnished to show that ✓ Panther Lines, Inc. has the necessary equipment to furnish the service without use of subhaulers.

Findings of Fact

1. Panther Lines, Inc. is not the carrier identified with carrier File T-111125.
2. Panther Lines, Inc. had no highway contract carrier operative authority on the date RR-279 was filed.
3. Subsequent to the filing of RR-279, Panther Lines, Inc. was issued a highway contract carrier permit under carrier File T-134316.

4. There are several deficiencies in the data originally filed in support of RR-279, including the failure to provide:
- a. For times involved in loading and unloading.
  - b. For charges for delays.
  - c. A list of equipment indicating that it has adequate equipment to provide the service without use of subhaulers. ✓
  - d. Substantiation of equipment costs.
  - e. A projected traffic flow study.

Conclusions of Law

1. Panther Lines, Inc., the carrier named in RR-279, did not have a contract carrier permit on the date that RR-279 was filed; therefore, such filing was invalid.

2. The showing made in support of RR-279 has several deficiencies which would require rejection if not cured. Additional support data must be filed before the reduced rates may be approved.

3. RR-279 should be rejected without prejudice.

4. Any future rate reduction filing covering transportation of canned goods from Sacramento for Transbay Distribution Centers, Inc. by Panther Lines, Inc. should overcome the deficiencies described in the Commission's notice of suspension of RR-279 and as indicated in the following order.

5. This order should become effective on date of issuance because the rate reduction filing is null and void.

IT IS ORDERED that:

1. Contract Carrier Rate Reduction Filing RR-279, filed March 5, 1981 by Panther Lines, Inc., is rejected.

2. Any new contract carrier rate reduction filing made by Panther Lines, Inc., covering the transportation of canned goods from Sacramento for Transbay Distribution Centers, Inc., shall contain the additional support data referred to in the Commission's letter suspending RR-279; current equipment lists, balance sheet, and operating statement; and the bases for the equipment costs, maintenance costs, and indirect expenses set forth in the justification statement.

This order is effective today.

Dated APR 21 1981, at San Francisco, California.

John E. Burns  
President  
Philip W. Howell  
Edward J. Jones  
Clifton Carter  
Russell C. Miller  
Commissioners