

Decision No. 93081

MAY 19 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Amended application of Westcoast)
 Motor Tariff Bureau, Inc. under)
 Shortened Procedure Tariff Docket)
 to publish for on behalf of Conti)
 Trucking, Inc. tariff provisions)
 resulting in increase because of)
 publication of full utilization/)
 exclusive use of equipment in)
 Item 148.5 of Cal PUC No. 3.)

Application No. 60086
 (Filed November 17, 1980;
 amended January 9, 1981
 and March 26, 1981)

OPINION AND ORDER

By this application, as amended, Westcoast Motor Tariff Bureau, Inc. (WCMTB) seeks to publish on behalf of Conti Trucking, Inc. (Conti) a new item to apply in connection with the transportation of shipments of certain commodities when such transportation involves the full utilization or exclusive use of carrier's equipment.

New Item 148.5, to be published in WCMTB Local and Joint Freight Tariff No. 1, Cal. PUC No. 3, would apply to the transportation of shipments of plastic or rubber articles, carpet cushioning, and certain metal containers, when transported on more than one unit of carrier's equipment.

Filing of the application was noticed on the Commission's Daily Calendar of November 20, 1980. Guthmiller Trucking, Inc. (Guthmiller) on December 18, 1980, filed a formal protest to the granting of the application. The basis for Guthmiller's opposition is its allegation that instead of being a rate increase, the authority, if granted, would establish a maximum rate, thereby effecting a reduction in shipment charges for the listed commodities. Such a rate reduction, Guthmiller alleges, should not be permitted under the Shortened Procedure Tariff Docket.

In response to Guthmiller's protest, Conti filed its amended application on January 9, 1981. The amendment contains a clause stating that if rates assessed under the provisions of ordinary class or commodity rate items produce charges higher than those which would accrue under Item 148.5, such higher charges shall apply. In addition, pursuant to the amended application, sheet steel containers are deleted from the list of commodities named in Item 148.5.

By letter dated February 12, 1981, Guthmiller withdrew its protest.

The original application and first amendment were deficient with respect to information required under Article 7 of the Commission's Rules of Practice and Procedure. This article contains rules pertaining to processing of limited common carrier rate increases under the Shortened Procedure Tariff Docket. Rule 27(c) requires that applications shall state "clearly, specifically and in detail, the justification in support of each authority sought." By second amendment to this application, filed March 26, 1981, the justification required under Rule 27(c) was furnished by applicant.

Conti alleges the item is necessary because the commodities included therein are far less dense than most articles; that charges assessed such shipments produce considerably less revenue than is received on most other commodities.

Revenue generated per unit of carrier's equipment on a truckload shipment of paper napkins, for example, is \$652.88. Income currently received from a typical shipment of articles named in the proposed new item ranges from \$372 to \$384 per unit of carrier's equipment. These latter revenues would increase under the provisions of Item 148.5 to \$410 and \$420 per unit of equipment.

Application of the provisions of the new item would generate estimated increases in Conti's annual revenues of \$37,186. Conti's 1980 intrastate gross revenue is approximately \$4.6 million. The ratio of Conti's estimated annual intrastate revenue to new dollars which will be earned under Item 148.5 is about 0.8 percent, or eight-tenths of one percent.

Findings of Fact

1. Conti is a highway common carrier as defined in Section 213 of the Public Utilities Code.
2. Conti's rates are named in WCMTB Local and Joint Freight Tariff No. 1, Cal. PUC No. 3.
3. The commodities described in the application are far less dense than most articles transported by Conti.
4. The common carrier rates currently assessed by Conti on shipments of commodities described in the application are unreasonably low when such shipments are transported on two or more units of equipment.
5. The increased rates proposed to be published by WCMTB on behalf of Conti are just and reasonable rates.
6. The order which follows complies with the highway carrier energy efficiency guidelines set forth in Decision No. 92541.
7. A public hearing is not necessary.

Conclusion of Law

The amended application should be granted as set forth in the ensuing order.

IT IS ORDERED that:

1. Westcoast Motor Tariff Bureau, Inc., agent, is authorized on behalf of Conti Trucking, Inc. to amend its Local and Joint Freight Tariff No. 1, Cal. PUC No. 3 as proposed in the amended 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.

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 MAY 19 1981 , at San Francisco, California.

 John E. Byron
President
 Richard D. Brangle
 Lionel M. Jenkins
 Maurice Cadore
 Fruelle C. Mear
Commissioners