

ORIGINAL

Decision No. 9310S May 19, 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's)
own motion into the operations,)
rates, charges and practices of)
STANDON COMPANY, INC., THOMAS R.)
PECK MANUFACTURING COMPANY, INC.,)
and DIXON CHUBBOCK AND ASSOCIATES,)
INC., California corporations.)

OII No. 72
(Filed June 17, 1980)

Robert W. Hancock, Attorney at Law, for
Standon Company, Inc., respondent.
Alvin S. Pak, Attorney at Law, for the
Commission staff.

O P I N I O N

On June 17, 1980, the Commission, on its own motion, instituted this investigation into the operations, rates, charges, and practices of Standon Company, Inc. (Standon), Thomas R. Peck Manufacturing Company, Inc. (Peck), and Dixon Chubbock and Associates, Inc. (Chubbock).

The purposes of this investigation can be summarized as follows:

1. Whether Standon charged and shippers Peck and Chubbock paid less than the applicable minimum rates for the transportation of their property.
2. What specific sums are due and owing in the event of such undercollection.
3. Whether corrective action by the Commission is required.

Hearing in this investigation was held on November 17, 1980 in Los Angeles, California. At that time, the Commission staff

introduced a stipulation of facts, issues, and recommended fines which was entered into and signed by Standon. This stipulation and documentation of the results of the staff's investigation were identified as exhibits and received into evidence.

We base our findings of fact in this investigation on the parties' factual stipulation. Because these facts demonstrate Standon's willful violation of tariffs which it was responsible for knowing and observing, the imposition of a punitive fine as provided by Section 3774 of the Public Utilities Code is appropriate. Based on our independent review of the record, we have concluded that a punitive fine of \$250 is reasonable. ✓

Findings of Fact

1. On various dates in 1979, the Commission staff conducted an investigation into the operations, rates, and practices of Standon.

2. The investigation showed that, in performing transportation services for Peck and Chubbock, Standon charged, demanded, collected, and received compensation less than the minimum rates set forth in Minimum Rate Tariff 2 and its supplements in the amount of \$2,653.33.

3. Upon issuance of an undercharge citation by the Commission staff (F-1738 issued August 2, 1979), Standon billed Peck for the amounts of the alleged undercharges shown in that citation.

4. Standon thereafter received from Peck payment in the amount of the alleged undercharges shown in the undercharge citation.

5. Upon issuance of an undercharge citation by the Commission staff (F-1738 issued August 2, 1979), Standon billed Chubbock for the amounts of the alleged undercharges.

6. Standon thereafter received from Chubbok payment in the amount of the alleged undercharges.

7. Undercharge Citation No. F-1738 provided for a fine in the amount of the undercharges of \$2,653.33.

8. Standon refused to pay the fine referred to in Finding 7, thereby resulting in the issuance of OII No. 72 pursuant to established procedure.

9. Standon has been served with Minimum Rate Tariffs 2, 7-A, 9-B, 10, 15, 17-A, and 18 and the Exception Ratings Tariff, Directory 1, Distance Table 8, and all supplements for each tariff.

Conclusions of law

1. Standon violated Sections 3664 and 3737 of the Public Utilities Code by performing transportation for Peck and Chubbock resulting in undercharges by respondent carrier in the amount of \$2,653.33.

2. Standon should pay a fine of \$2,653.33 pursuant to Section 3800 of the Public Utilities Code.

3. Based on our independent review of the record, Standon should further be required to pay a punitive fine of \$250 pursuant to Section 3774 of the Public Utilities Code.

4. Standon should be ordered to cease and desist from any and all operations and practices of the nature found herein to be in violation of the Public Utilities Code.

Standon is placed on notice that failure to comply with the following order according to the schedule provided may result in the reopening of this proceeding to levy additional punitive fines.

O R D E R

IT IS ORDERED that:

1. Standon Company, Inc., shall pay fines of \$2,653.33 pursuant to Section 3800 of the Public Utilities Code and \$250.00 pursuant to Section 3774 of the Public Utilities Code. Both fines shall be paid within thirty days after the effective date of this order.

2. Standon Company, Inc., shall cease and desist from charging and collecting for transportation of property or for any service in connection therewith in a lesser amount than the minimum rates prescribed by the Commission.

The Executive Director of the Commission shall cause personal service of this order to be made upon respondent Standon Company, Inc., and cause service by mail of this order to be made

OII 72 ALJ/jn

upon all other respondents. The effective date of this order shall be thirty days after completion of service on Standon Company, Inc.

Dated MAY 19 1981, at San Francisco, California.

John E. Boyer

President

Richard D. ...

Leonard M. ...

Walter ...

Patricia E. ...

Commissioners