

Decision 93172 JUN 2 1981**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of CAL-WEST TARIFF BUREAU, )  
 INC., AGENT, for authority to increase )  
 rates in Cal-West Tariff Bureau Tariff, )  
 Cal. PUC Nos. 1, 3, 14, 17, 18, 20, 21, )  
 22 Supplements and exceptions thereto, )  
 containing rates of Common Carriers for )  
 the transportation of commodities and )  
 the performance of specified services )  
 related thereto. )

Application 60476  
 (Filed April 23, 1981)

O P I N I O N

By this application, Cal-West Tariff Bureau, Inc. (CWTB) seeks authority under Public Utilities (PU) Code §§ 454 and 496 to make effective on June 1, 1981, general increases in its Tariffs 1, 3, 14, 17, 18, 20, 21, and 22.<sup>1/</sup> CWTB operates as a rate bureau by Decision (D.) 89158 issued July 25, 1978 in Application (A.) 58098.

<u>1/</u> CWTB Tariff No.	<u>Tariff Description</u>	<u>PUC No.</u>
1	Vehicle Unit Rates	15
3	Governing Rules	2
14	San Francisco Drayage Area	19
17	Uncrated New Furniture	11-A
18	San Diego Drayage Area	9-B
20	Oakland Drayage Area	1-B
21	Commodity Rates - Statewide	2
22	Class Rates - Statewide	2

The increases sought are as follows:

TABLE OF INCREASES

- (1) All Class Rates to be increased as follows:

<u>WEIGHT OF SHIPMENT</u> (In Pounds)	<u>PERCENT OF INCREASE</u>
LESS THAN 10,000	11%
10,000 AND OVER BUT LESS THAN 20,000	8%
20,000 AND OVER	6%

- (2) All Commodity rates to be increased by 11%.  
 (3) All other rates and charges to be increased by 11%.

The CWTB tariffs provide class and commodity rates for the movement of general commodities formerly subject to Commission minimum rate tariffs. Those minimum rate tariffs have been canceled under the Commission's reregulation program and are now entitled Transition Tariffs. (The Transition Tariff numbers corresponding to CWTB's tariffs are those shown in the right-hand column in footnote 1.) Approximately 315 highway common carriers participate in the CWTB tariffs.

The application alleges that the increases sought are based on increased operating expenses incurred by member carriers since the rates were last adjusted in the former minimum rate tariffs by D.91567 issued April 15, 1980. The increased operating costs include labor, fuel, maintenance and repair expenses, operating taxes, and workers' compensation insurance costs. The labor cost increases are those set forth in current Teamsters Union collective bargaining agreements which generally become effective June 1, 1981.

The application states that the general increase in rates granted by D.91567 merely offset increases in the direct cost of carriers, and made no provision for indirect expenses or profit. The carrier members of CWTB assertedly have been absorbing increased costs of operation for more than a year without offsetting rate increases. CWTB asks that we recognize the urgency of the need for the relief sought by granting the application by ex parte order to become effective June 1, 1981.

Permissive authority to increase rates of its highway common carrier members in a total amount not exceeding 11% was granted to Western Motor Tariff Bureau (WMTB), Agent by D.92256 dated September 16, 1980 in A.59835 (4%) and Interim D.92829 dated March 17, 1981 in A.60165 (7%) to offset the same increased carrier operating expenses for which rate increases are now sought.<sup>2/</sup>

Attached to this application are 1979 and 1980 operating revenue and expense statements and balance sheets of 17 representative member carriers. The data show that the composite operating income of the selected carriers has substantially decreased from 1979 to 1980.

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<sup>2/</sup> A.60165 also sought a 4% increase to improve the profitability factor of member carriers. That portion of the application will be set for hearing.

Our staff has analyzed the data furnished with the application, and recommends that the application be granted. Notice of the filing of the application appeared on the Commission's Daily Calendar of April 27, 1981. No objection to the application or request for public hearing has been received. The application should be granted.

CWTB asks that the increases be granted on a permissive basis to protect each carrier's right to independent action. That request is consistent with the Commission's reregulation program and should be granted.

Findings of Fact

1. CWTB operates as a rate bureau under PU Code § 496.
2. CWTB seeks authority to publish increases 11% or less in the rates and charges in its Tariffs 1, 3, 14, 17, 18, 20, 21, and 22 on behalf of individual carriers.
3. Those tariffs now contain rates and charges generally on the same levels as the related Commission transition tariffs.
4. The transition tariffs and CWTB tariffs in issue reflect the cost level generally experienced by motor carriers of general commodities in effect on April 1, 1980.
5. The carriers subject to the rates in the CWTB tariffs in issue have experienced substantial increases in their labor and fringe benefit costs, operation and maintenance expenses, fuel costs, and payroll expenses since April 1, 1980.
6. Many of the carriers subject to CWTB tariffs in issue will experience additional labor and fringe benefit cost increases effective June 1, 1981 under Teamsters Union collective bargaining agreements.
7. An increase of 11% has been granted to individual common carriers participating in general commodity tariffs published by WMTB. Those increases were determined to be cost-effective.

8. The increases sought in this application are consistent with the Commission's carrier-made rate program enunciated in D.90816.

9. The increases sought by CWTB on behalf of the individual common carriers participating in the CWTB tariffs in issue are justified.

10. CWTB intends to publish the increases as surcharges and to incorporate the surcharges and other outstanding surcharges into specific rates and charges.

11. Notice of the filing of the application appeared on the Commission's Daily Calendar of April 27, 1981. There are no protests.

12. Since carriers are already experiencing some of the increased operating costs, the order which follows should be made effective on date of signature.

13. Limited authority to depart from the provisions of PU Code § 461.5 should be granted.

14. Limited authority to depart from the terms and rules of General Order Series 80 should be granted.

15. The following order has no reasonably foreseeable impact on the energy efficiency of highway carriers.

Conclusion of Law

The application should be granted as provided in the ensuing order.

O R D E R

IT IS ORDERED that:

1. Cal-West Tariff Bureau, Inc. (CWTB) is authorized to publish surcharge increases as sought on behalf of the individual carriers participating in the CWTB tariffs enumerated in A.60476.

2. Tariff publications authorized to be made as a result of this order shall be filed not earlier than the effective date of this order and may be made effective on not less than 5 days' notice to the Commission and to the public.

3. CWTB in establishing and maintaining the rates authorized by this order, is authorized to depart from the provisions of PU Code § 461.5 to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are modified only to the extent necessary to comply with this order; and schedules containing the rates published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

4. CWTB is authorized to depart from the Commission's tariff circular requirements only to the extent necessary in establishing the surcharge supplements authorized by this order.

This order is effective today.

Dated JUN 2 1981, at San Francisco, California.

John E. Crizer President  
Richard D. MacLellan  
Thomas J. ...  
Walter ...  
Commissioners

Commissioner Priscilla C. Grew, being necessarily absent, did not participate in the disposition of this proceeding.