

T/HH/AFM/WPSC

Decision 93337 JUL 22 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investiga-)
 tion for the purpose of consider-)
 ing and determining minimum rates)
 for transportation of motor vehi-)
 cles and related items statewide)
 as provided in Minimum Rate Tariff)
 12-A and the revisions or reissues)
 thereof.)

Case 5604
 Petition for Modification
 69
 (Filed April 24, 1981)

O P I N I O N

Minimum Rate Tariff 12-A (MRT 12-A) names rates and rules for the transportation of motor vehicles in secondary movement by truckaway service over the public highways within the State of California. By this petition, California Trucking Association (CTA) seeks increases averaging approximately 7% on all rates and charges with various exceptions.

CTA states that effective June 1, 1981 significant increases became payable in the major cost elements underlying the MRT 12-A datum plane, under the terms of the contractual labor agreement.

CTA seeks a minimum rate increase, based on the wage cost offset method of dealing with increased costs stemming from labor-and equipment-related cost increases, of approximtely 7% which would create about \$2.6 million additional annual revenue.

The Freight Economics Branch staff has prepared an alternative cost analysis using the direct wage offset method of dealing with increased costs, which is the traditionally accepted and used offsetting methodology. The minimum rate increase stemming from the staff cost development will average 4 3/4% and will yield about \$1.7 million in additional annual revenue. The staff has contacted Fiat Motors of North America, Nissan Motors Corporation, Toyota Motor Sales, U.S.A., Inc., and Volkswagen of America. None of these parties have any objection to the granting of a rate increase based on the staff's approach.

In the absence of protest, the staff recommends that the Commission grant the 4 3/4% increase and incorporate such increase into the tariff in the form of a surcharge by ex parte order.

Findings of Fact

SS 1. MRT 12-A was last generally adjusted by Decision 92782 to give recognition to labor, labor-related and other direct cost SS increases. Also surcharges increases have been added to the tariff by supplements to subsequent decisions to reflect increases in the cost of fuel.

2. Since the minimum rates in MRT 12-A were last revised and generally adjusted, carriers governed by the provisions of MRT 12-A have incurred further increases in contractual labor costs and payroll taxes.

3. CTA seeks an increase which could approximate 7% and an increase in annual revenue of \$2,564,600.

4. The Commission's Transportation Division staff recommends an increase based upon the direct wage offset procedure which would approximate a 4.75% increase and an increase of annual revenue of \$1,740,300.

5. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

6. The increase recommended by the staff has been shown to be justified, and the resulting rates are and for the future will be the just, reasonable, and nondiscriminatory minimum rates for highway carriers governed by the provisions of MRT 12-A.

7. The petition was listed on the Commission's Daily Calendar of April 28, 1981. No objection to the granting of the petition has been received. A public hearing is not necessary.

Conclusions of Law

1. Petition for Modification 69 should be granted to the extent provided and MRT 12-A amended accordingly.

2. To the extent not granted, Petition for Modification 69 should be denied.

3. The effective date of this order should be the date of signature because there is an immediate need for the sought relief.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 12-A (Appendix A to Decision (D.) 85573, as amended) is further amended by incorporating, to become effective August 8, 1981, attached Supplement 15.
2. Common carriers subject to the Public Utilities Act, to the extent that they are subject also to D.85573, as amended, are directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered by this decision.
3. Tariff publications required to be made by common carriers as a result of this order shall be filed not earlier than the effective date of this order and made effective August 8, 1981 on not less than five days' notice to the Commission and to the public.
4. Common carriers, in establishing and maintaining the rates authorized by this order, are authorized to depart from the provisions of Section 461.5 of the Public Utilities Code 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.

5. In all other respects, D.85573, as amended, shall remain in full force and effect.

6. The Executive Director shall serve a copy of this decision on every common carrier, or such carriers' authorized tariff publishing agents, performing transportation services subject to Minimum Rate Tariff 12-A.

7. The Executive Director shall serve a copy of the tariff amendment on each subscriber to Minimum Rate Tariff 12-A.

This order is effective today.

Dated JUL 22 1981, at San Francisco,

California.

John E. Bryson
President
Richard D. Hooley
James W. Jones
Victor Calvo
Frederic C. Green
Commissioners

SURCHARGE SUPPLEMENT

SUPPLEMENT 15

(Cancels Supplement 14)

Supplement 15 Contains All Changes

MINIMUM RATE TARIFF 12-A

NOTING

MINIMUM RATES AND RULES

FOR THE

TRANSPORTATION OF MOTOR VEHICLES

(As described herein)

IN SECONDARY MOVEMENT

BY

TRUCKWAY SERVICE

OVER THE PUBLIC HIGHWAYS WITHIN THE

STATE OF CALIFORNIA

BY

RADIAL HIGHWAY COMMON CARRIERS

HIGHWAY CONTRACT CARRIERS

Decision No.

93337888e

EFFECTIVE

8/8/81

APPLICATION OF SURCHARGE

Except as otherwise provided, compute the amount of charges in accordance with the rates and rules in this tariff, and increase the amount so computed as follows: (See Exception)

1. By twenty-three and one-half (23-1/2) percent on charges computed in connection with rates subject to 140 constructive miles or less in Items 120, 130, 140, and 220;
2. By twenty and one-half (20-1/2) percent on charges computed in connection with rates subject to over 140 constructive miles in Items 120, 130, 140, and 220;
3. By twenty-eight (28) percent on all other rates and charges.

For purpose of disposing of fractions under provisions hereof, fractions of less than one-half (1/2) cent shall be dropped and fractions on one-half (1/2) cent or greater shall be increased to the next higher whole cent.

EXCEPTION: The surcharge herein shall not apply to:

1. Item 150 - Special Loading and Unloading charges;
2. Item 160 - Payment of Advance Charges;
3. Items 180, 190, 200 and 210 - (Railhead-to-Railhead charges only);
4. Item 232 - Special C.O.D. Service;
5. Item 235 - Collect on Delivery (C.O.D.) Shipments.

THE END

◇ Increase, Decision No.

933378382