State of California

Public Utilities Commission San Francisco

<u>MEMORANDUM</u>

Date : February 15, 1991

To : The Commission (Meeting of February 21, 1991) fin Diani, Principal Tariff and License Branch

File No.:

Subject : CA-2

RESOLUTION NO. OCR-1018 ORDER CANCELLING COMMON CARRIER TARIFFS, COMMON CARRIER CONTRACTS, AND SPECIAL CONTRACTS WHICH HAVE BEEN TEMPORARILY SUSPENDED FOR VIOLATION OF D.90-02-021.

OCR No. 1 <u>Desert Runner, Inc.</u> Carrier does not have common carrier authority to file a common carrier contract as required by Rule 6.13 of General Order 147-B.

OCR No. 2 <u>Ozark Trucking, Inc.</u> Carrier failed to show evidence of the substantial shipper obligation in Contract No. T-162,737-2 required for a special contract. Also, rates in the contract are not specific.

OCR No. 3 <u>R. L. Miner & Sons Trucking</u> Carrier failed to show evidence of the substantial shipper obligation in Contract No. T-160,971-3 required for a special contract.

OCR No. 4 <u>Dutra Trucking Co. Inc.</u> Carrier failed to conform to requirements in General Order 147-B; rates in Contract No. T-87,826-17 are not specific.

OCR No. 5 <u>R & T Burns, Inc.</u> Carrier failed to conform to requirements in General Order 147-B; rates in Contract No. 139,876-1 are not specific.

OCR No. 6 <u>R & T Burns, Inc.</u> Carrier failed to conform to requirements in General Order 147-B; rates in Contract No. 139,876-2 are not specific.

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution No. OCR-1018 Transportation Division February 21, 1991

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<u>R E S Ô L U T I Ó N</u>

RESOLUTION NO. OCR-1018 ORDER CANCELLING COMMON CARRIER TARIFFS, COMMON CARRIER CONTRACTS, AND SPECIAL CONTRACTS WHICH HAVE BEEN TEMPORARILY SUSPENDED FOR VIOLATION OF D.90-02-021

The common carrier tariffs, common carrier contracts and special contracts listed below violate Commission Decision (D.) 90-02-021 and have been suspended. These rate filings have not been amended or corrected and will go into effect at the end of the suspension period, unless the Commission orders these rate filings to be cancelled.

Rate Cancelling Order	<u>Rate_Filing_By:</u>
OCR No. 1	Desert Runner, Inc. Common Carrier Contract T-160,724-1
OCR No. 2	Ozark Trucking, Inc. Special Contract T-162,737-2
OCR No. 3	R. L. Miner & Sons Trucking Special Contract T-160,971-3
OCR No. 4	Dutra Trucking Co. Inc. Special Contract T-87,826-17
OCR No. 5	R & T Burns, Inc. Special Contract T-139,876-1
OCR No. 6	R & T Burns, Inc. Special Contract T-139,876-2

Resolution No. OCR-1018 February 21, 1991

Findings of Fact

- 1. The rate filings listed above violate D.90-02-021.
- 2. The above rate filings were suspended and will go into effect at the end of the suspension period, unless the Commission orders these rate filings cancelled.
- 3. This Commission meeting is the last meeting of the Commission scheduled before the above rate filings will go into effect.
- 4. A public hearing is not necessary.

Conclusion of Law

These filings should be cancelled.

IT IS ORDERED that:

- 1. The above rate filings are cancelled as specified in the orders cancelling rates attached.
- 2. The Executive Director shall serve a copy of this Resolution on the carriers listed above.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on February 21, 1991. The following Commissioners approved it:

KEAL J. SHULMAN Executive Director

PATRICIA M. ECKERT President G. MITCHELL WILX JOHN B. OHANIAN Commissioners

I abstain. DANIEL WM. FESSLER Commissioner

I abstain. NORMAN D. SHUMWAY Commissioner

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Common Carrier Contract T-160,724-1 Desert Runner, Inc. P. O. Box 247 Reedley, CA 93654

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Order Cancelling Rate

(Filing Numbered Same as Order Number Above)

In conformity with the findings and order made by the Commission in a resolution entered this day, Common Carrier Contract T-160,724-1 is ordered canceled and will not go into effect March 9, 1991.

Desert Runner, Inc. filed Common Carrier Contract No. T-160,724-1 with Dole Dried Fruit and Nut Company, which appeared on the Commission's Transportation Calendar January 29, 1991. The contract was suspended on February 7, 1991 for 30 days because Desert Runner, Inc. does not have common carrier authority. Rule 6.13 of General Order 147-B requires common carrier contracts to be filed only by contract carriers which also hold common carrier authority.

FEB 2 1 1991

This order issued **FLU #1 1991**, by the Public Utilities Commission of the State of California by the adoption of Resolution No. OCR-1018 of which this order is a part.

Executive Director of the Publič Utilities Commission

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Special Contract T-162,737-2 Ozark Trucking, Inc. 855 Stillwater Street, Suite 2 West Sacramento, CA 94605

Order Cancelling Rate

(Filing Numbered Same as Order Number Above)

In conformity with the findings and order made by the Commission in a resolution entered this day, Special Contract T-162,737-2 is ordered canceled and will not go into effect March 10, 1991.

Special contracts must include evidence of substantial shipper obligation in the contract. To meet this requirement the contract must either provide for the carrier to earn a minimum of \$1,000 per month for delivered transportation services, or the contract must call for substantial shipper obligations not normally provided under common carrier tariff rates by any carrier. Many carriers have accomplished this by writing the contract in a way that makes the \$1,000 a month minimum easily calculable by multiplying the rate by the projected tonnage. Ozark Trucking, Inc. filed Special Contract T-162,737-2 with Raley's, which appeared on the Commission's Transportation Calendar January 29, 1991. The contract was suspended on February 8, 1991 for 30 days because it did not include evidence of the substantial shipper obligation required by Rule 6.14 of General Order 147-B. Also, the rates provided in the contract are not specific.

FEB 2 1 1991

This order issued Commission of the State of California by the adoption of Resolution No. OCR-1018 of which this order is a part.

Executive Director of the Public Utilities Commission

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Special Contract T-160,971-3 R. L. Miner & Sons Trucking 1901 East Hill Rd. Willits, CA 95490 Order Cancelling Rate

(Filing Numbered Same as Order Number Above)

In conformity with the findings and order made by the Commission in a resolution entered this day, Special Contract T-160,971-3 is ordered canceled and will not go into effect March 10, 1991.

Special contracts must include evidence of substantial shipper obligation in the contract. To meet this requirement the contract must either provide for the carrier to earn a minimum of \$1,000 per month for delivered transportation services, or the contract must call for substantial shipper obligations not normally provided under common carrier tariff rates by any carrier. Many carriers have accomplished this by writing the contract in a way that makes the \$1,000 a month minimum easily calculable by multiplying the rate by the projected tonnage. R. L. Miner & Sons Trucking filed Special Contract T-160,971-3 with Little Lake Industries, which appeared on the Commission's Transportation Calendar January 29, 1991. The contract was suspended on February 8, 1991 for 30 days because it did not include evidence of the substantial shipper obligation required by Rule 6.14 of General Order 147-B.

This order issued FEB 21 1991, by the Public Utilities Commission of the State of California by the adoption of Resolution No. OCR-1018 of which this order is a part.

Executive Director of the Public Utilities Commission

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Contract Carrier Contract T-87,826-17) Ord Dutra Trucking Co. Inc.) P.O. Box 277) (Fi Arcata, CA 95521) Or

Order Cancelling Rate

(Filing Numbered Same as Order Number Above)

In conformity with the findings and order made by the Commission in a resolution entered this day, Contract Carrier Special Contract T-87,826-17 is ordered cancelled and will not go into effect March 13, 1991.

Dutra Trucking Co. Inc. filed Special Contract No. T-87,826-17 with Tenco Co. Inc., which appeared on the Commission's Transportation Calendar February 4, 1991. The contract was suspended on February 11, 1991 for 30 days. The suspension was issued as the contract fails to conform with Rule 6.6 of General Order 147-B requiring rates to be stated in their entirety and contracts contain explanatory statements to remove reasonable doubt as to its proper application. The surcharge could result in noncompliance with Rule 3.18 of General Order 147-B which establishes the conditions for a special contract.

Specifically, Exhibit A (fuel surcharge) of the contract does not contain a base price of fuel to determine the magnitude of an increase or decrease in the rates nor is there a method indicated to precisely track fuel prices using a recognized index. A widespread practice has been to use the fuel index provided by the ICC to monitor fuel prices. Exhibit A (fuel surcharge) provides for decreases in the rate to an extent whereby revenue realized under the contract falls below \$1000 per month and consequently, in the absence of substantial shipper obligations or other services, the contract does not conform to Rule 3.18 of General Order 147-B.

This order is issued Commission of the State of California by the Adoption of the Resolution No. OCR-1018 of which this order is a part.

Executive Director of the Public Utilities Commission

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Contract Carrier Contract T-139,876-1) R & T Burns, Inc. 870 Forbes Avenue Yuba City, CA 95991 Order Cancelling Rate

(Filing Numbered Same as Order Number Above)

In conformity with the findings and order made by the Commission in a resolution entered this day, Contract Carrier Special Contract T-139,876-1 is ordered cancelled and will not go into effect March 13, 1991.

R & T Burns, Inc. filed Special Contract No. T-139,876-1 with Sunset Moulding Co., which appeared on the Commission's Transportation Calendar February 4, 1991. The contract was suspended on February 11, 1991 for 30 days. The suspension was issued as the contract fails to conform with Rule 6.6 of General Order 147-B requiring rates to be stated in their entirety and that contracts contain explanatory statements to remove all resonable doubt as to its proper application.

Specifically, rates in Appendix "A" of the contract are not identified by a unit of measure (e.g. cents per hundred weight) and abbreviations (e.g. GC) are not defined. Uncertainty involving the application of the rates does not allow for proper determination whether the 1000 revenue per month cited as the basis for the special contract, Rule 3.18 (a) (1) of General Order 147-B, can be achieved.

FEB 2 1 1991 ·

This order is issued _____, by the Public Utilities Commission of the State of California by the adoption of the Resolution No. OCR-1018 of which this order is a part.

Executive Director of the Public Utilities Commission

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Contract Carrier Contract T-139,876-2) R & T Burns, Inc.) 870 Forbes Avenue) Yuba City, CA 95991) Order Cancelling Rate

(Filing Numbered Same as Order Number Above)

In conformity with the findings and order made by the Commission in a resolution entered this day, Contract Carrier Special Contract T-139,876-2 is ordered cancelled and will not go into effect March 13, 1991.

R & T Burns, Inc. filed Special Contract No. T-139,876-2 with Marysville Forest Products, which appeared on the Commission's Transportation Calendar February 4, 1991. The contract was suspended on February 11, 1991 for 30 days. The suspension was issued as the contract fails to conform with Rule 6.6 of General Order 147-B requiring rates be stated in their entirety and that contracts contain explanatory statements to remove all reasonable doubt as to its proper application.

Specifically, rates in Appendix "A" of the contract are not identified by a unit of measure (e.g. cents per hundred weight) and abbreviations (e.g. GC) are not defined. Uncertainty involving the application of the rates does not allow for proper determination whether the \$1000 revenue per month cited as the basis for the special contract, Rule 3.18 (a) (1) of General Order 147-B, can be achieved.

FEB 2 1 1991

This order is issued **FCD 41 1991**, by the Public Utilities Commission of the State of California by the adoption of the Resolution No. OCR-1018 of which this order is a part.

Executive Director of the Public Utilities Commission