

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution TL-18380-B
Transportation Division
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R E S O L U T I O N

**RESOLUTION AUTHORIZING CEMENT COMMON CARRIERS TO MAKE
TARIFF FILINGS IN RESPONSE TO MAJOR FUEL COST
CHANGES DUE TO THE CRISIS IN THE MIDDLE EAST**

In response to recent events in the Middle East and rising oil prices, the Commission ordered, in Resolution TL-18374 on August 8, 1990, a revised "zone of reasonableness" for highway common carriers subject to General Order 147-B. This revised zone of reasonableness is set to expire on September 30, 1990.

On August 23, 1990 Western Motor Tariff Bureau, on behalf of a number of cement common carriers for whom they publish cement tariffs, filed Application 90-08-055 asking that Commission Resolution TL-18374 be amended to grant similar relief to cement common carriers, asserting that the situation in which these carriers find themselves is no different than the circumstances which prompted Resolution TL-18374.

The facts detailed in Resolution TL-18374 apply similarly to cement common carriers. We believe that good cause has been shown to grant cement common carriers temporary emergency relief to deal with major fuel cost increases.

Any party who wishes to request extension of the temporary relief granted by this resolution should apply for such additional relief, in accordance with the Commission's Rules of Practice and Procedure, no later than September 18, 1990.

Findings of Fact

1. Recent events in the Middle East have resulted in precipitous and unforeseeable fuel price increases associated with abnormal market conditions.

2. Some carriers have reported that they are already paying significantly higher fuel prices.
3. Cement common carriers may be unable to promptly recover cost increases due to this emergency without additional authority.

Conclusions of Law

1. Cement common carriers should be permitted to publish tariff increases (up to a maximum of 10 percent) to reflect the increase in fuel costs experienced after August 1, 1990, due to the emergency in the Middle East, subject to the same conditions that apply to highway common carriers in Resolution TL-18374.
2. The tariff filings described in Conclusion of Law 1 above should expire September 30, 1990.
3. Because cement common carriers may need to respond promptly to changes in fuel costs as outlined in our findings of fact above, there is good cause to authorize tariff filings on one days' notice.
4. The tariff filings authorized by this order are justified.

ORDER

IT IS ORDERED that:

1. Until September 30, 1990, cement common carriers may publish tariff increases to reflect the increase in fuel costs experienced after August 1, 1990 due to the emergency in the Middle East.
2. These carriers shall be permitted to exercise this authority by making a tariff filing showing a percentage surcharge on any or all of their tariffs (up to a maximum of 10 percent), and further justifying the surcharge by a simple calculation showing the percent by which increases in fuel costs have increased their

overall costs. This calculation shall show the carriers' overall costs; the percentage of those overall costs that consist of fuel costs; and the increase in fuel costs the carrier has experienced after August 1, 1990, due to the current emergency in the Middle East, both in dollar figures and as a percentage.

3. Tariff filings pursuant to this order may be made effective upon one day's notice (one day after filing with the Commission).
4. Any tariff filings authorized pursuant to this order shall expire September 30, 1990, absent further order by this Commission.
5. This resolution does not authorize any collective ratemaking or other collective action pursuant to P.U. Code Section 496. However, independent carrier action within rate bureaus is not prohibited. Individual carriers may use rate bureaus as their publishing agent for individual tariff filings pursuant to this resolution.
6. Any party who wishes to request extension of the temporary relief granted by this Resolution, shall apply for such additional relief, in accordance with the Commission's Rules of Practice and Procedure, no later than September 18, 1990.
7. The Executive Director shall serve a copy of this resolution on all cement common carriers and on Western Motor Tariff Bureau.

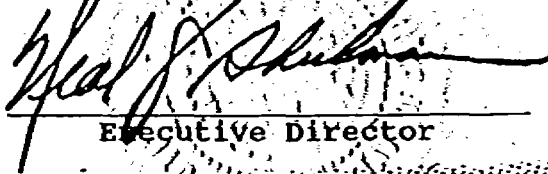
This resolution is effective today.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on August 29, 1990.

The following Commissioners approved it.

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
PATRICIA M. ECKERT
Commissioners

PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA


Executive Director

Commissioner JOHN B. OHANIAN,
being necessarily absent, did
not participate.