

Decision No. 28759

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation by the Commission on its own Motion into the rates, rules, regulations, charges, allowances, contracts, practices, operations and schedules, or any of them, of The Atchison, Topeka and Santa Fe Railway Company, Coast Line Express, Coast Truck Line, H. Frasher Truck Line, Highway Transport Company, Intercity Transport Lines, Inc., Keystone Express System, Motor Freight Terminal Company, Inc., Pacific Motor Transport Company, Pacific Motor Trucking Company, Richards Trucking and Warehouse Company, The River Lines, Sacramento Northern Railway, Tidewater Southern Railway, Valley Express Co., Valley Motor Lines, Inc., and The Western Pacific Railroad Company.

ORIGINAL

Case No. 3773

BY THE COMMISSION:

OPINION UPON FURTHER HEARING

In Decision No. 27259 in the above entitled proceeding the Commission proposed the adoption of a general order providing, among other things, that "rates shown in carriers' tariffs shall apply for the transportation of single shipments only excepting *** that whenever a carrier finds it necessary to maintain rates permitting more than one consignor, point of origin, consignee or destination, it may do so provided a charge of not less than twenty-five (25¢) is made for each consignor and/or point of origin or consignee and/or destination exceeding one ***". Copies of the proposed general order were served upon all common carriers subject to the Commission's jurisdiction rendering a pick-up and delivery service and mailed to other parties known to be interested. Criticisms and comments were earnestly solicited. Thereafter, further hearings were had before Examiner Warren K.

Brown at San Francisco and Los Angeles and the matter submitted.

Several rail carriers objected to the General Order, principally upon the ground that its adoption would further tend to impair their ability to meet the competition of unregulated highway carriers.

Since the resubmission of this proceeding, and during the 1935 session of the State Legislature, there was enacted into law the Highway Carriers' Act (Statutes 1935, Chapter 223) regulating the use of public highways for commercial purposes by motor vehicles operated thereon for the transportation of property for compensation, and providing among other things that this Commission "shall, upon complaint or upon its own initiative without complaint, establish or approve just, reasonable, and non-discriminatory maximum or minimum or maximum and minimum rates to be charged by any highway carrier other than a highway common carrier, *** for the transportation of property and for accessorial service performed by said highway carrier."

Pursuant to this mandate the Commission instituted an investigation, (Case No. 4088), for the purpose of establishing or approving just, reasonable and non-discriminatory maximum or minimum or maximum and minimum rates, rules and regulations of all Radial Highway Common Carriers and Highway Contract Carriers operating motor vehicles over the public highways of the State of California for the transportation for compensation or hire of any and all commodities and accessorial services incident to such transportation. Hearings were had in that proceeding at various times and places. By Decision No. 28761 issued today, minimum rates for the transportation of property in varying quantities between points in this State by radial highway common and highway contract carriers, together with rules and regulations governing, are being established. Included in that order are minimum split pick-up and delivery rates and rules.

With the establishment of minimum split pick-up and delivery rates, rules and regulations for radial highway common and highway con-

tract carriers, objection voiced by the rail carriers to the issuance of a General Order, particularly insofar as split pick-up and delivery rates are concerned, ceases to exist.

Aside from the single objection raised by the rail carriers to the issuance of an order respecting split pick-up and delivery rates and rules, almost all respondents joined in condemning the practice as discriminatory, preferential and prejudicial in violation of Section 19 and violative of long and short haul provisions of the Public Utilities Act and of the State Constitution. The practice may only be justified to meet proprietary or shipper-owned truck competition. Even then, it is obvious that restrictions are necessary to remove departures from the Act.

Upon consideration of all the facts of record, it is concluded that the present split pick-up and delivery rates and rules maintained by respondents hereto result in the collection of freight charges which are unduly discriminatory in violation of the Public Utilities Act. The General Order hereto attached as Appendix A will permit the performance of split pick-up and delivery services where necessary and will remove the objectionable features of the present split pick-up and delivery rates and rules.

Inasmuch as other matters involved in the proposed General Order have not been considered in Case No. 4088, supra, they should not be governed by General Order at this time. The proceeding should be held open for such supplementary order or orders as may be necessary.

O R D E R

This proceeding having been duly heard, full investigation of the matters and things involved having been had, and basing this order on the findings of fact and the conclusions contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that General Order No. 92 as set forth in Appendix A, governing the transportation of property under pick-up or delivery rates by common carriers, be and it is hereby adopted to become effective June 1, 1936.

IT IS HEREBY FURTHER ORDERED that this proceeding be held open for such supplementary order or orders as may be necessary.

Dated at San Francisco, California, this 27th day of April, 1936.

M. B. Harris
Leon A. White
W. A. Linn
W. H. [unclear]
Frank R. [unclear]
Commissioners

APPENDIX "A"

GENERAL ORDER NO. 92

NOTE: This General Order contains matter supplemental to that contained in other General Orders but does not cancel any that are now in effect.

RAILROAD COMMISSION OF THE STATE OF CALIFORNIA
RULES AND REGULATIONS

Governing Split Pick-up and Delivery rates of common carriers.

Adopted April 27, 1936. Effective June 1, 1936.

(Authorized by Decision No. 28759, Case 3773)

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IT IS HEREBY ORDERED that on and after the effective date of this order the following rules shall be in full force and effect:

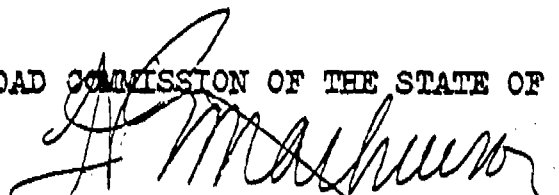
1. Rates, rules, or regulations hereafter published by common carriers to provide that shipments may be picked up from two or more consignors located at a single origin or at points intermediate between the point of origin farthest from destination and destination, destined to one consignee at one destination, shall also provide that charges are to be computed for the transportation of each component part at the rate applicable to the transportation of the entire lot from the highest rated point of origin to destination, plus a sum equal to one cent per 100 lbs. or 25¢, whichever is the greater.
2. Rates, rules, or regulations hereafter published by common carriers to provide that shipments may be picked up from one consignor at one point of origin destined to two or more consignees located at a single destination or at points intermediate between the point of origin and the most distant destination, shall also provide that charges are to be computed for the transportation of each component part at the rate applicable to the transportation of the entire lot from the point of origin to the highest rated point of destination, plus a sum equal to one cent per 100 lbs. or 25¢, whichever is the greater.

3. No rates, rules, or regulations shall hereafter be published by common carriers to provide that shipments of less than 4,000 pounds may be received from more than one consignor or point of origin, or delivered to more than one consignee or destination.
4. Rates, rules, or regulations now published by common carriers to provide that shipments may be received from more than one consignor or point of origin or that shipments may be delivered to more than one consignee or destination shall be cancelled or amended effective on or before June 1, 1936, so as to be not inconsistent with paragraphs 1, 2, and 3 hereof.
5. Authority is hereby granted to common carriers to depart from Section 63(a) of the Public Utilities Act to the extent necessary to comply with paragraph 4 hereof.

Approved and dated at San Francisco, California, this

27th day of April, 1936.

RAILROAD COMMISSION OF THE STATE OF CALIFORNIA


H. G. Mathewson, Secretary.