

Decision No. 32246

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment
of maximum or minimum, or maximum
and minimum rates, rules and regu-
lations of all common carriers as de-
fined in the Public Utilities Act of
the State of California, as amended,
and all highway carriers as defined in
Chapter 223, Statutes of 1935, as
amended, for the transportation, for
compensation or hire, of any and all
commodities.

Case No. 4246

BY THE COMMISSION:

(A list of appearances entered in
this proceeding will be found in
Appendix "A" hereto and in Decision
No. 31606 of December 27, 1938, De-
cision No. 31996 of May 12, 1939,
and Decision No. 32401 of October
3, 1939)

SUPPLEMENTAL OPINION AND ORDER

This decision deals with various proposed modifications
of Decision No. 31606, as amended, in the above entitled proceeding,
which established minimum rates, rules and regulations for the trans-
portation of property between points in California by common, radial
highway common and highway contract carriers.

Petition of Gilbert's Freight Line for Exemption of Shipments
Moving From and To Plant of Mountain Water Ice Company near Salinas

I. R. and W. E. Gilbert, copartners doing business as
Gilbert's Freight Line, a highway contract carrier, urged that prop-
erty moving in truckload lots from the plant of Mountain Water Ice

Except as to those matters disposed of herein without public hearing,
the proposals considered in this decision were publicly heard in Los
Angeles before Commissioner Wakefield and in San Francisco before
Examiner Earl S. Williams.

Company, located seven tenths of a mile from the city limits of Salinas, to the plant of the Union Ice Company, located within the Salinas city limits, be exempted from the application of the established minimum rates. The testimony was to the effect that the city limits of Salinas included a relatively small area and that a number of industries, including the plant of the Mountain Water Ice Company, were located in adjacent areas outside those limits; that the movement of property (which was said to consist solely of ice) in truckload lots from this plant to the plant of the Union Ice Company in Salinas had, by past practice, been recognized as a local drayage movement; and that the proposed exemption would give recognition to such past practice. The circumstances in connection with the movement sought to be exempted were said to be similar to those which the Commission had recognized in exempting shipments moving within the Sacramento territory embracing certain cities, areas and plants outside the city limits of Sacramento. It was pointed out that the Mountain Water Ice Company is now included within the pickup and delivery limits of common carriers serving Salinas.

No showing has been made which would indicate that the established minimum rates are unreasonable or improper for the transportation here involved, nor has petitioner stated the rates intended to be charged in lieu thereof. Heretofore, exemptions of areas outside the limits of incorporated cities have been restricted generally to specifically bounded areas which have been shown to be contiguous to and an integral part of the industrial or residential development of a city. In the few instances that excluded territories have been defined by reference to particular plants or industries, it has appeared that no other or competing industries were located in the same general territory. Here, however, the exemption sought is restricted to truckload shipments moving in one direction only, from a single plant located in an area in which other plants are said to be located to a single plant within the city limits of Salinas. No showing has been made

as to how the particular traffic involved differs from that moving between other plants located in the same outside area on the one hand and other plants located within the City of Salinas on the other hand. The facts shown on this record do not justify the granting of the proposed exemption. The petition will be denied.

Change in the Description of "Milk (not malted), dry or powdered."

Item 610 series of Highway Carriers' Tariff No. 2 (Appendix "D" of Decision No. 31606, as amended) contains a description of "canned goods" applicable in connection with certain commodity rates. This description is also applicable by reference in connection with the rating of 90 per cent of 4th class provided in Item 320 series of the tariff for "canned goods" in less truckload shipments. Golden State Company, Ltd. requested that the entry contained in this description, reading "Milk (not malted), dry or powdered," be changed to read "Milk (not malted), Buttermilk (not casein) or Dry Milk Solids; powdered or flaked." It was explained that the suggested description was adopted by the American Dry Milk Institute in 1938 as the correct description of powdered skim milk, and that it had been adopted also in the Western Classification and in numerous tariffs applicable throughout the United States. It was stated that the proposed change in description would not alter the applicable charges.

It appears desirable to amend the description of this commodity to conform to that generally accepted by the industry. The proposed modification will be made.

Commodity Rates on Infusorial Earth from Torrance to San Diego

The Truck & Warehouse Association of San Diego and Imperial Counties, on behalf of Service Truck Company (one of its members), a highway contract carrier, requested that a commodity rate be provided for the transportation of infusorial earth in truckload lots from Torrance to San Diego, pointing out that Highway Carriers' Tariff No. 2 provides a rate lower than the class rate for transportation of the same commodity from White Hills to San Francisco Territory.

A representative of Service Truck Company testified that his company hauled approximately 100 tons of infusorial earth per month from Torrance to San Diego for the Kelco Company. He explained that the present class rate for the transportation involved was 14½ cents per 100 pounds, minimum weight 36,000 pounds, but that the shipper desired a rate of 12½ cents per 100 pounds. He said that the proposal for modification was fostered by the Kelco Company, and readily admitted that, in his opinion, the rate should not be reduced below its present level. No representative of the Kelco Company appeared at the hearing, and no other party supported the suggested reduction.

Obviously it has not been shown that the minimum class rates provided in Highway Carriers' Tariff No. 2 for the transportation of infusorial earth from Torrance to San Diego are unreasonable or improper, or that the suggested commodity rate would be reasonable or sufficient for the service involved. The proposed modification will not be adopted.

Application of Class Rates to
Shipments of Fire Brick

Clay Products Institute of California, an association of manufacturers engaged in the production and distribution of fire brick, urged that Highway Carriers' Tariff No. 2 be amended by removing that commodity from the list of articles taking commodity rates applicable to "Oil, Water or Gas Well Outfits and Supplies and Other Articles."²

A witness for the association pointed out that fire brick moving between points south of Salinas and Fresno was, by reason of

2. Item No. 700 of Highway Carriers' Tariff No. 2 provides a list of oil, water or gas well outfits and supplies and other articles. Items Nos. 710 and 720 of the tariff name rates for the transportation of these commodities between points in California, Salinas, Fresno and south thereof. Note 1, Second Revised Page 1-A of the tariff provides that class rates shall not become effective for the transportation of shipments of commodities described in Item No. 700, originating in or destined to points in Los Angeles or Orange Counties and for which rates are provided in Items Nos. 710 and 720, until further order of the Commission.

its inclusion in the commodity grouping, subject to minimum commodity rates substantially higher than class rates which would otherwise obtain. He declared that less than 5 per cent of the fire brick moving in this territory was used in connection with oil, water or gas wells, and said that he knew of no justification for requiring this commodity when moving in straight shipments to pay the rates established for higher-rated articles included in the commodity grouping. He stated also that southern California manufacturers of fire brick were in active competition with manufacturers located at Stockton and Pittsburg, and pointed out that fire brick shipped from the latter points received the benefit of class rates. He said that, in his opinion, the commodity rates now applicable to fire brick moving between points in California south of Salinas and Fresno were unreasonably high for the transportation of this commodity, and were prejudicial and discriminatory to southern California shippers. The evidence introduced by Clay Products Institute amply justifies the proposed modification of the tariff to permit class rates to apply upon fire brick in straight shipments, or in mixed shipments with commodities not included in the oil-well grouping. The tariff will be amended accordingly.

Enlargement of Pickup and Delivery Zones at Napa, Redlands, Sanger, South Vallejo and Fallbrook

Southern Pacific Company sought authority to enlarge its pickup and delivery zones at Napa, Redlands, Sanger and South Vallejo. Similarly, The Atchison, Topeka & Santa Fe Railway Company sought authority to extend its pickup and delivery zones at Redlands and at Fallbrook, and the Santa Fe Transportation Company sought authority to extend its pickup and delivery limits at Redlands.³

³ Santa Fe Transportation Company filed its petition for enlargement of its Redlands pickup and delivery zone subsequent to the hearing in these matters, alleging therein that the present zone is the same as maintained by The Atchison, Topeka and Santa Fe Railway Company; that through oversight Santa Fe Transportation Company was not included in the petition of the rail carrier; and that circumstances surrounding pickup and delivery and reasons for enlargement of the Redlands' zone are the same as those presented on behalf of the latter.

With regard to Napa, it was explained that the proposed enlarged boundaries would embrace, in addition to the city itself, small sections of adjacent territory which, in fact, were a part of the industrial and residential development thereof. It was asserted that the industries and residences located within this area required and were entitled to rates comparable to those in effect for transportation from and to points within the Napa city limits.

The proposed enlargement of the Southern Pacific and Santa Fe pickup and delivery zones at Redlands would extend the existing zones (which are now co-extensive with the city limits), to include certain adjacent territory lying easterly of the city and said to constitute a part of the industrial development. Particularly, it would include the packing plants of the Crafton Mutual Orange Growers and the Elephant Orchards. At Fallbrook, (an unincorporated community), the proposal contemplates the extension of the existing zone, which now embraces points within a radius of one mile from the carrier's freight depot, to include all points within a radius of five miles of the depot. Carriers witnesses stated that their investigations had disclosed an apparent public necessity for the extensions at Redlands and Fallbrook and had developed that the service could be rendered at little, if any, additional expense. Shippers and consignees testified that the proposed changes would be of considerable convenience to them, and of great benefit to the communities affected.

The Southern Pacific Company filed its petitions for enlargement of the Sanger and South Vallejo pickup and delivery limits subsequent to the hearing involving modification of other pickup and delivery zones. It alleges that the present Sanger limits coincide with its corporate boundary; that the present South Vallejo limits include the area within the City of Vallejo and Mare Island; that the additional areas sought to be included are adjacent to the respective city boundaries; that they are a part of the industrial areas of

Sanger and Vallejo; and that industries located therein should be accorded a rate parity with those located within existing pickup and delivery limits.

In passing upon the propriety of extensions of pickup and delivery zones presently maintained by common carriers, it should be understood that we are here concerned only with determination whether or not the minimum rates established by Decision No. 31606, as amended, for transportation from and to points within the existing zones, should be authorized to be applied likewise from and to points within the proposed enlarged zones. Whether or not the carriers' services should be expanded into areas not now served, and whether or not the carriers' operating rights should be enlarged to permit service from and to points or territories which they are not now authorized to serve are questions not at issue in this proceeding. In so far as Napa, Redlands, Sanger and South Vallejo are concerned, the territories sought to be added are relatively small in area and apparently constitute a part of the natural growth of the respective communities. Moreover, it appears that industries are located within those outlying districts which compete with industries within the city limits. Under these circumstances, it seems proper that similar rates be authorized to be applied from and to the enlarged zones.

The sought extension of the zone from a one mile radius to a five mile radius around Fallbrook, however, goes far beyond what could reasonably be termed a part of the industrial or residential development of that community. No showing has been made that all shippers and consignees located within five miles of Fallbrook need or desire the same rates as are provided in Decision No. 31606 for transportation from and to the Fallbrook depot, particularly since such rates would sometimes be in excess of those now available under the regular mileage basis. This petition will be denied.

Petition of Jacob N. Rau

Jacob N. Rau, an individual doing business as the Lone Pine-Darwin Freight Line, a highway common carrier, seeks exemption from the requirements of Decision No. 31606, as amended. Petitioner is engaged in transporting freight in shipments weighing 500 pounds and less between Lone Pine and Darwin and points intermediate thereto. In support of his request for exemption, Rau alleges that the type of traffic handled consists mainly of small shipments, principally groceries and dry goods; that unless the exemption sought is granted, patrons will perform their own hauling; and that other carriers serving the territory do not compete for this class of traffic. Other carriers serving the territory have stated that they have no objection to the proposal.

The circumstances surrounding the transportation here involved appear to justify the exemption. The petition will be granted.

Petition of Charles E. Loveland

Charles E. Loveland, a highway common carrier, seeks authority to publish and assess, in lieu of the minimum charges prescribed by Decision No. 31606, as amended, minimum charges of 25 cents per shipment on shipments weighing 25 pounds or less; 35 cents per shipment on shipments weighing over 25 pounds and not over 50 pounds; and 50 cents per shipment on shipments weighing more than 50 pounds. Petitioner is engaged in transporting passengers and property between Madera and Fish Camp and intermediate points. He alleges, in support of his request, that he is primarily engaged in transporting small shipments which could not be secured under the present minimum charge requirements; that the minimum charges presently applicable are burdensome to shippers in the sparsely settled territory in which he operates; and that his operations are not competitive with those of other carriers.

It appears that the proposed minimum charges are reasonable under the circumstances set forth. The petition will be granted.

Commodity Rate on Ice

Louis Vergano, a radial highway common carrier, and Central California Ice Company, a corporation engaged in the manufacture of ice, seek a modification of Highway Carriers' Tariff No. 2 by the establishment of a commodity rate of $4\frac{1}{2}$ cents per 100 pounds, minimum weight 30,000 pounds, for the transportation of ice from Visalia, Tulare, Exeter and Porterville to Delano.⁴

According to the record Central California Ice Company operates ice manufacturing plants at all of the points here involved, as well as at numerous other San Joaquin Valley points. It sells substantial quantities of ice at Delano, principally for use in refrigerating outbound rail carload shipments of lettuce and peas. The sales are concentrated for the most part within the months of March and April and November and December, approximately 13,000 tons of ice being sold during the spring season and a like amount during the fall season.

A portion of the ice sold at Delano is manufactured at the local plant of the Central California Ice Company. The present capacity of this plant is inadequate to meet the demand, however, and it is necessary to ship in ice from plants at other points. Some of this inbound tonnage is shipped by rail and the balance is handled by for-hire truck carriers. From the particular points involved in this petition, the traffic is handled exclusively by truck.⁵

During the year 1939, the volume of tonnage shipped to Delano from the origin points involved in the petition was as follows:
2,313 tons from Porterville, 345 tons from Visalia, and 315 tons from

⁴ The minimum rates in effect for the transportation of ice to Delano in minimum shipments of 30,000 pounds are $5\frac{1}{2}$ cents per 100 pounds from Visalia, 5 cents per 100 pounds from Tulare, 6 cents per 100 pounds from Exeter, and $4\frac{1}{2}$ cents per 100 pounds from Porterville. The constructive highway distances involved are 44, 32, 50 and 30 miles, respectively.

⁵ The Tulare and Porterville plants are not equipped with spur track facilities. The Visalia and Exeter plants are served by rail. It is said to be impracticable to use rail service from these points to Delano, however, due to the fact that shipments are usually made on short notice.

Tulare. No movement was made from Exeter during that period, it being explained that Exeter was included in the petition so that the Exeter plant would be available for emergency shipments.

Several truck carriers participate in the transportation, although the bulk of the traffic is handled by Vergano. The loading and unloading facilities are said to be such as to promote maximum efficiency and the volume of traffic is said to permit continuous operation of the trucks 24 hours per day.

The general manager of Central California Ice Company testified that ice was sold at Delano at a delivered price and that the reduced rate sought was necessary to permit his company to keep this price sufficiently low to enable growers in the Delano district to compete with growers in the Watsonville and Salinas districts. He explained that lettuce and pea growers in the Salinas and Watsonville districts were able to obtain ice manufactured at the shipping points or brought into those points for rates substantially lower than those now applicable into Delano.⁶ He said that unless the delivered price were held at as low a level as possible, the growers would probably arrange for the construction of additional ice facilities at Delano, thus eliminating entirely the transportation factor.

The shipper witness testified, moreover, that his company had made a study of the cost of performing this transportation in its own equipment and was convinced that this mode of operation would result in a saving under the existing basis. He anticipated that his

⁶ In Applications Nos. 22944, 22947 and 22952 of I. R. and W. H. Gilbert and Coast Line Truck Service, Inc., the following rates were authorized under Section 11 of the Highway Carriers' Act for transportation in minimum shipments of 30,000 pounds from and to specified plants and sheds at or adjacent to the points shown:

<u>Origin</u>	<u>Destination</u>	<u>Constructive Miles</u>	<u>Rates in Cents Per Ton</u>
Watsonville Junction	Salinas	21	75
Watsonville Junction	Santa Cruz	22 $\frac{1}{2}$	70
Watsonville Junction	Davenport	38 $\frac{1}{2}$	95
Santa Cruz	Davenport	16	45

company would resort to a proprietary operation unless the reduced rates were authorized.

A statement showing the costs incurred by Vergano in transporting ice between the points here involved during 1939 was also introduced. According to this statement, the full cost, including management and overhead expenses, was .7165 per ton, as compared with the sought rate of $4\frac{1}{2}$ cents per 100 pounds or 85 cents per ton. It was asserted that these costs were representative of those experienced by other carriers. It was pointed out, moreover, that the ice traffic moves during periods when the movement of other commodities is relatively light, and thus produces a materially higher annual use factor than would otherwise be obtainable.

By affidavit attached to the petition, six radial highway common carriers urged that the petition be granted. No one opposed the petition.

We are of the opinion that the unusually favorable use factor obtainable by reason of the heavy volume of traffic moving within relatively short periods of time justifies rates lower than those now in effect for this transportation. However, the difference in mileages from the several origin points to Delano range up to 20 miles and it does not appear that a rate of the same volume is justified from all of these points. The $4\frac{1}{2}$ cents per 100 pounds rate will be authorized for transportation from Porterville, from which point the bulk of the traffic moved during 1939. Related rates will be authorized from the other origin points. Under this basis, the rates from Tulare will be $4\frac{1}{2}$ cents, from Visalia 5 cents, and from Exeter $5\frac{1}{2}$ cents. These rates, it will be noted, are no higher than those in effect in the Watsonville and Salinas districts for comparable distances and will give recognition to the competitive position of growers in the Delano district.

Credit Rule

Item No. 250 of Highway Carriers' Tariff No. 2 sets forth regulations governing the extension of credit for payment of freight charges. It now appears, however, that the order by which that tariff was promulgated (Decision No. 31606) failed to require specifically that common carriers, radial highway common carriers and highway contract carriers observe regulations no less restrictive than those set forth in the item mentioned. Particularly, the order did not explain clearly that common carriers who did not have credit regulations in effect theretofore were expected to publish regulations conforming to those contained in Highway Carriers' Tariff No. 2. An order to this effect will be entered.

By Decision No. 32826 of February 20, 1940, provision was made that the regulations concerning the extension of credit would not be applicable to the transportation of property for the United States, state, county or municipal governments. The order herein will make an appropriate amendment of Item No. 250 of the tariff.

Commodity Rate on Lumber and Forest Products

By Application No. 23377, filed March 27, 1940, Chester McNutt, a radial highway common and highway contract carrier, sought authority under Section 11 of the Highway Carriers' Act to assess a rate of 15 cents per 100 pounds, minimum weight 30,000 pounds, in lieu of the established minimum rates of 17½ and 18 cents per 100 pounds, for the transportation of lumber and forest products from railhead points in San Diego to railheads at specified points in the Imperial Valley. He alleged that a rate of 15 cents per 100 pounds was in effect for transportation over the joint route of the San Diego and Arizona Eastern Railway and Southern Pacific Company through

7. The destination points involved are Calipatria, Shamrock, Fondo, Casaba, Westmorland, Turn, Munyon, Moss, Orita, Curlew, Sandia, Fuller, Bernice, Rockwood, Brawley, Grape, El Centro, Meloland, Holtville, Heber and Calexico.

the Republic of Mexico and that he was unable to obtain traffic at higher rates.

Since the competitive conditions relied upon as justifying the reduced rate are common to highway carriers operating in the territory, it appears that the relief should be granted by the establishment of a special commodity rate, rather than by the granting of special authority to McNutt only. A rate of the volume sought will therefore be established by the order herein. The interstate rail rate is published to expire June 27, 1940, and the highway carriers' rate will be made to expire concurrently.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that Decision No. 31606, as amended, in the above entitled proceeding, be and it is hereby further amended to permit Southern Pacific Company to establish, for transportation from or to points which it may be authorized to serve within the following described territories, the rates prescribed by said Decision No. 31606, as amended, for transportation from or to points within the city limits of Napa, Sanger, and Vallejo (including Mare Island), respectively:

1. "Napa city limits; also territories outside the city limits as follows:

"(a) Beginning at intersection of Lincoln Avenue and Main Street; thence northerly along Main Street to Central Avenue; thence westerly along Central Avenue to Calistoga Road (continuation of Jefferson Street); thence northerly along Calistoga Road to Calistoga Avenue; thence westerly along Calistoga Avenue to Solano Street; thence southerly along Solano Street to Napa Creek; thence easterly and southerly along Napa Creek to westerly city limits.

"(b) Beginning at intersection of First Street and Ornouff Street; thence southerly along Ornouff Street to Laurel Street; thence easterly along Laurel Street to city limits.

"(c) Beginning at intersection of southerly city limits and Soscol Avenue, southerly along Vallejo Road (continuation of Soscol Avenue) to Oil Company Road; thence westerly and southerly along Oil Company Road to its termination at a point directly opposite Pine Street; thence westerly to Napa Creek directly opposite Pine Street."

2. "Sanger city limits; also territory outside the city limits as follows:

"Beginning at the intersection of Smyrna Avenue and the city limits of Sanger; thence southerly along Smyrna Avenue to North Avenue; returning along Smyrna Avenue to point of beginning."

3. "Vallejo city limits (including Mare Island); also territories outside the city limits as follows:

"(a) Beginning at the intersection of CWA road and the southern city limits of Vallejo; thence southerly along CWA road to U. S. Highway No. 40; northerly along U. S. Highway No. 40 to Reis Avenue; easterly along Reis Avenue to Home Acres Avenue; southwesterly along Home Acres Avenue to Lewis Avenue; southeasterly along Lewis Avenue to County Road No. 267; northeasterly along County Road No. 267 to Benicia Road; northwesterly along Benicia Road to U. S. Highway No. 40; northerly along U. S. Highway No. 40 to County Road No. 638; southwesterly along County Road No. 638 and Greenfield Avenue to Mountain View Avenue; northerly along Mountain View Avenue to Valla Vista Avenue; southwesterly along Valla Vista Avenue to the city limits of Vallejo; southerly along said city limits to point of beginning.

"(b) Beginning at the intersection of County Road No. 85 and the northern city limits of Vallejo; thence northerly along County Road No. 85 to County Road No. 598; southerly along County Road No. 598 to Mississippi Street; westerly along Mississippi Street to Sacramento Street; northerly along Sacramento Street to its intersection with County Road No. 594 at Frisbie Street; northwesterly along County Road No. 594 to Sears Point Road; westerly along Sears Point Road to Mare Island Strait; southeasterly along Mare Island Strait to the city limits of Vallejo; easterly and northerly along said city limits to point of beginning."

IT IS HEREBY FURTHER ORDERED that The Atchison, Topeka & Santa Fe Railway Company, Santa Fe Transportation Company and Southern Pacific Company be and they are hereby authorized to establish, for transportation from or to points which they may be authorized to serve within the following described territory, the rates prescribed by Decision No. 31606, as amended, in Case No. 4246, for transportation from or to points within the city limits of Redlands:

"Redlands: All area within the city limits; also that area outside the city limits within the following boundaries: Beginning at the intersection of Lugonia Avenue and the city limits; thence easterly along Lugonia Avenue to Crafton Avenue; southerly along Crafton Avenue to Colton Avenue; westerly along Colton Avenue to the eastern city limits; northerly along said city limits to point of beginning."

IT IS HEREBY FURTHER ORDERED that Finding No. 14 of said Decision No. 31606, as amended, be and it is hereby further amended by adding thereto as an exempted carrier Jacob N. Rau, doing business as Lone Pine-Darwin Freight Line.

IT IS HEREBY FURTHER ORDERED that Charles E. Loveland be and he is hereby authorized to publish and assess, in lieu of the minimum charges set forth in Item No. 150 of Highway Carriers' Tariff No. 2, the following:

<u>Weight of Shipment</u>	<u>Minimum Charge (In Cents)</u>
25 pounds and less	25
Over 25 pounds but not over 50 pounds	35
Over 50 pounds	50

IT IS HEREBY FURTHER ORDERED that said Decision No. 31606, as amended, be and it is hereby further amended by substituting in Highway Carriers' Tariff No. 2 (Appendix "D" of said decision) the revised pages attached hereto and by this reference made a part hereof, the changes to become effective as shown on the respective pages, which pages are numbered as follows:

Third Revised Page 6 cancels Second Revised Page 6
First Revised Page 27 cancels Original Page 27
Second Revised Page 47 cancels First Revised Page 47
First Revised Page 51-I cancels Original Page 51-I
Third Revised Page 56 cancels Second Revised Page 56
First Revised Page 57 cancels Original Page 57
First Revised Page 58 cancels Original Page 58

IT IS HEREBY FURTHER ORDERED that the petitions of Gilbert's Freight Line, Truck & Warehouse Association of San Diego and Imperial Counties, and The Atchison, Topeka and Santa Fe Railway Company relative to its pickup and delivery zone at Fallbrook, be and they are, and each of them is, hereby denied.

IT IS HEREBY FURTHER ORDERED that on and after thirty (30) days from the effective date of this order all radial highway common carriers and highway contract carriers (as those terms are defined in the Highway Carriers' Act) and all common carriers (as that term is defined in the Public Utilities Act), to the extent they engage in transportation for which the minimum rates established and prescribed in or by said Decision No. 31606, as amended, are applicable, be and they are hereby required to observe in connection with the collection of charges for said transportation credit regulations no less restrictive than those set forth in Item No. 250-A of Highway Carriers' Tariff No. 2; and no common carriers shall extend credit for freight charges without first having incorporated in its tariffs on file with the Commission said regulations, or other regulations no less restrictive.

IT IS HEREBY FURTHER ORDERED that tariff filings herein required or authorized to be made by common carriers may be made on not less than three (3) days' notice to the Commission and to the public.

IT IS HEREBY FURTHER ORDERED that in all other respects Decision No. 31606, as amended, shall remain in full force and effect.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 9th day of April, 1940.

Ray S. Buckley
Frank W. ...
...
...
Justin J. ...
Commissioners.

APPENDIX "A"

Appearances entered in this proceeding since the issuance of Decision No. 32401 dated October 3, 1939.

Bruce, W. H., for Armour & Company.

Cawley, J. W., for McLain Truck Co.

Ebert, H. F., for Personal Products.

Fairbairn, T. S., for McKesson-Robbins Company.

Fairchild, J. S., for Pacific Coast Envelope Company, San Francisco Division.

Harmonson, R. C., for Republic Supply Company.

Lossee, T. H., for Coffin-Redington Company.

Marshall, Robert W., Traffic Counsel for E. I. Du Pont de Nemours, Inc., Wilmington, Delaware.

Penniman, C. D., for F. W. Woolworth Company.

Robinson, E. H., for Arrow Transfer Co., San Diego.

Smith, H. E., for Western Auto Supply.

Steel, T. W., for Western Pacific Railroad Company and Sacramento Northern Railway.

Tilden, R. G., for Union Bag and Paper Corporation.

Valdez, E. C., for Desmond's.

Vieira, F. X., for Southern Pacific Company.

Wolthers, L. H., for Golden State Company, Ltd.

INDEX OF COMMODITIES (Continued)			
COMMODITY	Item Number	COMMODITY	Item Number
Feed, Clover	652 $\frac{1}{2}$, 654	Grate Bars	700-720
Feed, Gluten	652, 652 $\frac{1}{2}$, 654	Grille Work	660, 690
Feed, Mill	652, 652 $\frac{1}{2}$, 654	Grips	700-720
Feed, Poultry	652, 652 $\frac{1}{2}$, 654	Grit	652 $\frac{1}{2}$, 654
Feed, Sorghum (M)	652 $\frac{1}{2}$, 654	Grits	652, 652 $\frac{1}{2}$, 654
Feterita	652, 652 $\frac{1}{2}$, 654	Groats	652, 652 $\frac{1}{2}$, 654
Fig Paste	350	Guides, Wire Line	700-720
Fig Pulp	350	Gum, Chewing	360
Figs, dried	350, 640	Gutters	660, 690
Fire Brick	700-720	Handles, wooden	700-720
Fire Clay (M)	700-720	Hand Rails	660, 690
Fish, cooked, pickled or preserved	(1)	Hay	657, 658
Fish, other than fresh or frozen	360	Heading	660, 690
Fish Roe	(1)	Heads, Control Casing, Drive Pipe or Casing	700-720
Fittings, Cast or Wrought Iron Pipe	700-720	Hegari	652, 652 $\frac{1}{2}$, 654
Fittings, Closet and Pantry	660, 690	Higera	652, 652 $\frac{1}{2}$, 654
Fixtures, Built-in	660, 690	Hominy	(1) 652, 652 $\frac{1}{2}$, 654
Flakes, Brewers'	652, 652 $\frac{1}{2}$, 654	Hominy Flakes	652, 652 $\frac{1}{2}$, 654
Flakes, Hominy	652, 652 $\frac{1}{2}$, 654	Honey	360, 610
Flavoring Compounds	360	Honey Box Lumber	660, 690
Flaxseed	652, 654	Hooks, Casing, Sucker Rod, Throwoff or Tubing	700-720
Flour, Bean	653, 654	Horseradish	360
Flour, Grain	652, 652 $\frac{1}{2}$, 654	Hulls	652, 652 $\frac{1}{2}$, 654
Flour, Potato	653, 654	Hulls, cottonseed	652 $\frac{1}{2}$, 654
Flour, Prepared	653, 654	Hulls, rice	652 $\frac{1}{2}$, 654
Flour, Rice	653, 654	Ice	659
Flowers, fresh cut	340	Ice Cream	370
Flues, Boiler	700-720	Icings	360
Fodder, bean, cane, corn or pea	657, 658	Insecticides (M)	723-727
Fondant, Candy	360	Ironing Boards	660, 690
Food Preparations	360	Iron, Plate or Sheet	700-720
Food Preparations, Cereal	655, 656	Jacks, Oil Well Pumping	700-720
Forges	700-720	Jacks, Well Tool	700-720
Frames (Blind, screen and door)	660, 690	Jam	(1)
Frames, Window	660, 690	Jams, Door	660, 690
Flues, Boiler	700-720	Jelly	(1)
Fruit, candied, crystallized, glazed or stuffed	360	Joints, Rotary Tool and Sucker Rod	700-720
Fruit, crushed	(1)	Juice, Clam	(1)
Fruit, dried	350, 640	Juice, Fruit	(1)
Fruit (not dried, evaporated nor fresh)	(1)	Juice, Tomato	(1)
Fruit Juice	600	Juice, Vegetable	(1)

Fruit Juice Powders or Crystals, Citrus	360		
Fruit Syrup	360	Kafir Corn	652,652½,654
		Kaoliang	652,652½,654
Cable Ornaments	660,690	Kelp	652½,654
Garlic Chips	(1)	Kitchen Cabinets	660,690
Garlic Powder	(1)		
Gas, petroleum liquefied	723-727	Lard	360,730
Gauges, Bit	700-720	Lard Compounds	360
Gelatine	360	Lard Substitutes	360,730
Generators, Electric (M)	700-720	Lath	660,690
Germ	652,652½,654	Leaves, cactus	657,658
Ginger Ale	600	Lentils (M)	653,654
Glucose	360		
Grain Products as described	652,652½,654		
Grain	652,652½,654		
Grains, Brewers'	652,652½,654		
Grains, Distillers'	652,652½,654		

(1) See "Canned Goods and Other Articles as described in Item No. 610 series."
(M) Denotes articles on which application of rates is limited to mixed shipments.

EFFECTIVE APRIL 2, 1940

Correction No. 117 Issued by The Railroad Commission of the State of California,
San Francisco, California.

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
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(1) COLLECTION OF CHARGES

(a) Except as otherwise provided in this rule, transportation and accessorial charges shall be collected by the carriers prior to relinquishing physical possession of shipments entrusted to them for transportation.

(b) Upon taking precautions deemed by them to be sufficient to assure payment of charges within the credit period herein specified, carriers may relinquish possession of freight in advance of the payment of the charges thereon and may extend credit in the amount of such charges to those who undertake to pay them, such persons herein being called shippers, for a period of 7 days, excluding Sundays and legal holidays other than Saturday half-holidays. When the freight bill covering a shipment is presented to the shipper on or before the date of delivery, the credit period shall run from the first 12 o'clock midnight following delivery of the freight. When the freight bill is not presented to the shipper on or before the date of delivery, the credit period shall run from the first 12 o'clock midnight following the presentation of the freight bill.

*250-A
Cancels
250

(c) Where a carrier has relinquished possession of freight and collected the amount of charges represented in a freight bill presented by it as the total amount of such charges, and another freight bill for additional charges is thereafter presented to the shipper, the carrier may extend credit in the amount of such additional charges for a period of 30 calendar days to be computed from the first 12 o'clock midnight following the presentation of the subsequently presented freight bill.

(d) Freight bills for all transportation and accessorial charges shall be presented to the shippers within 7 calendar days from the first 12 o'clock midnight following delivery of the freight.

(e) Shippers may elect to have their freight bills presented by means of the United States mail, and when the mail service is so used the time of mailing by the carrier, as evidenced by the postmark, shall be deemed to be the time of presentation of the freight bills.

(f) The mailing by the shipper of valid checks, drafts, or money orders, which are satisfactory to the carrier, in payment of freight charges within the credit period allowed such shipper may be deemed to be the collection of the charges within the credit period for the purpose of these rules. In case of dispute as to the time of mailing, the postmark shall be accepted as showing such time.

(1) Will not apply to the transportation of property for the United States, state, county or municipal governments.

*Change, Decision No. 32064

EFFECTIVE APRIL 24, 1940

Correction No. 115 Issued by The Railroad Commission of the State of California, San Francisco, California.

Item No.	SECTION NO. 3	COMMODITY RATES (Continued)
	(Applies in connection with rates making specific reference hereto.)	
	CANNED GOODS AND OTHER ARTICLES, viz.:	
	Beans and Pork, Breads, Brine, Broths, Butter, fruit, Butter, peanut (peanut paste), Buttermilk (not Casein),	Molasses or Syrup (except coloring, flavoring, fruit, malt, or medicated), Mustard (prepared),
	Catsup, Chili, ground, Chowders, Cocconut, not desiccated, Corn,	Oil, olive or salad, Olives, Onion Chips, Onion Powder,
	Dressing, salad,	Paste, tomato, Pectin, fruit or vegetable, Pickles (Cauliflower, Cucumber, Dill Weed, Kraut, Mangoes, Onions and Tomato),
610-B Cancel 610-A	Fish, cooked, pickled or preserved, with or without fruit or vegetable ingredients,	Pie Preparations (fruit in syrup or in paste form compounded with flour or sugar and flavored),
	Fish Roe, cooked, pickled or preserved,	Pimentos (canned peppers), Puddings,
	Fruit (not fresh), crushed, Fruit (not dried, evaporated or fresh) in liquid other than alcoholic liquor,	Pulp, fruit or vegetable, Puree, tomato,
	Garlic Chips, Garlic Powder,	Ravioli (prepared), with or without cheese, meat or vegetable ingredients, Rice-and-milk, cooked,
	Hominy, Honey, in bulk in metal cans,	Sandwich Spread, Sauces, Condiments or Relishes, prepared,
	Jam, Jelly, Juice, clam, Juice (not syrup) fruit, unfermented, Juice, tomato, Juice, vegetable,	Sausage, Sausage Casings, pickled or salted, in bulk in barrels,
	Macaroni (prepared), with or without cheese, meat or vegetable ingredients,	Soups, Spaghetti (prepared), with or without cheese, meat or vegetable ingredients, Syrups,
	Meats, cooked, cured or preserved, with or without cereal or vegetable ingredients,	Vegetables (not dehydrated, dried, evaporated nor fresh), Vermicelli (prepared), with or without cheese, meat or vegetable ingredients,

Milk (condensed or evaporated), liquid,	Vinegar,
▲Milk (not malted) Buttermilk (not casein) or Dry Milk Solids, powdered or flaked,	Welsh Rarebit.
Mince Meat,	

▲Change, neither increase nor reduction, Decision No.

EFFECTIVE APRIL 24, 1940

Correction No. 112 Issued by The Railroad Commission of the State of California,
San Francisco, California.

First Revised Page....51-I
 Cancels
 Original Page.....51-I

HIGHWAY CARRIERS' TARIFF NO. 2

Item No.	SECTION NO. 3	COMMODITY RATES (Continued) In Cents per 100 Pounds			
		TO Los Angeles-Hynes Territory		TO San Diego Territory	
		RATES (See Note 1)			
FROM		Any Quantity	Minimum Weight 20,000 Pounds	Any Quantity	Minimum Weight 20,000 Pounds
658	HAY AND RELATED ARTICLES, viz.: Fodder, bean, cane, corn or pea, Hay, Leaves, cactus, dried, Straw, See Item No. 271 series for description of territories.				
	Bakersfield Territory	(1) 41	(1) 17	--	--
	Coachella Valley Territory	39	15	47	18
	Imperial Valley Territory	47	18½	41	16
	Lancaster Territory	(1) 34	(1) 12	--	--
	Salton Sea Territory	43	17	47	18
(1) Rates apply only for transportation of Hay.					
NOTE 1.—(a) Rates include services of driver and one helper to perform loading, unloading or other accessorial services. (b) Demurrage shall be computed in accordance with the provisions of Note 1, Item No. 130 series. (c) Rates are not subject to the provisions of Items Nos. 110, 150, 160, 170, 220 or 230 series. (d) When baled hay or any other commodity described in this item is picked up from several points in a single field, the point of origin of the composite shipment shall be deemed to be the point of pickup most distant from point of destination. An additional charge of ½ cents per 100 pounds shall be assessed for picking up and loading baled hay from scattered points in the field. (e) Stopping for display or sale in transit: When upon order of the consignee or consignor, a truck is stopped and held in transit prior to the start of the physical discharge of its load, for purposes of display or sale of such load, or other cause, a charge of \$1.50 per hour but not to exceed \$15.00 per period of 24 hours shall be assessed for time so consumed in excess of 4 hours. When arrival at point where load is held is made after 1:00 P.M., free time will be computed from 7:00 A.M., of the day following such arrival.					

	COMMODITY	FROM	TO	RATE
4659	Ice Minimum weight 30,000 pounds.	Porterville	Delano	4 $\frac{1}{2}$
		Tulare		4 $\frac{1}{2}$
		Visalia		5
		Exeter		5 $\frac{1}{2}$
↓ Reduction, Decision No.				
EFFECTIVE APRIL 2, 1940				
Correction No. 116	Issued by The Railroad Commission of the State of California, San Francisco, California.			

Third Revised Page....56
 Cancels
 Second Revised Page...56

HIGHWAY CARRIERS' TARIFF NO. 2

Item No.	SECTION NO. 3		COMMODITY RATES (Continued) In cents per 100 Pounds					
	LUMBER AND FOREST PRODUCTS, viz.: Forest Products and Building Woodwork, as described in Item No. 660 series. (See Note 1.)							
MILES		RATES		MILES		RATES		
Over	But not over	Minimum Weight 20,000 Pounds	Minimum Weight 30,000 Pounds	Over	But not over	Minimum Weight 20,000 Pounds	Minimum Weight 30,000 Pounds	
0	5	5½	4	200	220	27	22	
5	10	5½	4	220	240	29½	24	
10	15	6	4½	240	260	32	25½	
15	20	6	4½	260	280	34½	27½	
20	25	6½	5	280	300	36½	29½	
25	30	6½	5	300	325	39	31½	
30	35	7	5½	325	350	42	34	
35	40	7½	6	350	375	45	36½	
40	45	8	6½	375	400	48	38½	
45	50	8½	7	400	425	51	41	
50	60	9½	8	425	450	54	43½	
60	70	10½	9	450	475	57	45½	
70	80	12	9½	475	500	60	48	
80	90	13	10½	500	525	63	50½	
90	100	14	11½	525	550	65½	53	
100	110	15½	12½	550	575	68½	55	
110	120	16½	13½	575	600	71½	57½	
120	130	17½	14½	600	625	74½	60	
130	140	18½	15½	625	650	77½	62	
140	150	20	16½	650	675	80½	64½	
150	160	21	17½	675	700	83½	67	
160	170	22½	18	700	---	*83½	*67	
170	180	23½	19					
180	190	25	20					
190	200	26	21					
FROM		TO				Minimum Weight 30,000 Pounds		
Susanville		Oakland				(1) 23		
San Diego		Bernice, Brawley, Calexico, Calipatria, Casaba, Curlew, El Centro, Fondo, Fuller, Grape, Heber, Holtville, (3)Imperial, Meloland, Moss, Muryon, Orinda, Rockwood, Sandia, Shamrock, Turz, Westmoreland				↓(2)(1) 15		

690-C
 Cancels
 690-B

*Plus 3 cents for each 25 miles or fraction thereof over 700 miles.
(1)Exception to mileage rates. Applies only from and to railhead at points named. Will not apply from or to intermediate points.
(2)Expires June 27, 1940.
(3)Effective March 19, 1940, Decision No. 32914.
NOTE 1.-For charges for weighing shipments, see Item No. 670 series.
For estimated weights, see Item No. 680 series.
↓Reduction, Decision No.

EFFECTIVE APRIL 2, 1940

Correction No. 118 Issued by The Railroad Commission of the State of California,
San Francisco, California.

First Revised Page....57

Cancel

Original Page.....57

HIGHWAY CARRIERS' TARIFF NO. 2

Item No.	SECTION NO. 3	COMMODITY RATES (Continued)
	(Applies in connection with rates making specific reference hereto)	
	OIL, WATER OR GAS WELL OUTFITS AND SUPPLIES, and Other Articles, viz.:	
	Adapters, Casing, Adjusters and Boards, Band, Bull or Calf Wheels or Tug Pulleys, Barrels, Pump Working (Well Pump Cylinders), Bits, Drilling, Blocks, Casing, Crown or Under- reamer Dressing, Boiler Flues, Boiler Tubes, Boxes, Oil, Water, Gas Well Derrick or Stuffing, * * * Caps, Sand Line, Casing Shoes, Castings, Swing Post, Catchers, Tubing, Clamps, Disconnecting, Drilling, Drive or Gas Packing, Clamps or Grips, Anchor, Casing, Pipe, Polished Rod or Pull Rod, Compounds, Oil well drilling, mud, Countershafts, Oil Well, Derrick Cranes or Derricks, in- cluding necessary equipment of ladders, Drill Bitheads, Elevators, Pipe or Sucker Rod, Forges, Oil, Water or Gas Well Derrick, Gauges, Bit, Grate, Bars, Heads, Control Casing, Drive Pipe or Casing, Hooks, Casing, Sucker Rod, Throw- off or Tubing, or Links, Iron or Steel, plate or sheet,	Jacks, Oil Well Pumping, or Parts, Jacks, Oil, Water or Gas Well Tool, Joints, Rotary Tool and Sucker Rod, Liners, Polished Rod, Lines, Measuring, Machines, Oil, Water or Gas Well Rotary Drilling, and Parts thereof, Mud Mixer Parts, Iron, Oil Well Pulling Machines, Outfits, Wire Line Pumping, Packers, Pipe or Tubing and Fittings, Cast or Wrought, Pipe or Tubing, Plate or Sheet, 16 gauge or thicker, Plugs, Cementing, Plugs, Dry Hole, Powers, Pumping, Protectors, Box and Pin, Pull Rod Blocks, Wooden, Rams, Bit, Reels, Measuring, Rings and Wedges, Rods, Polished or Valve, Rods, Sucker, Saddles, Jack, Sand Reels, Chain Driven, Savers, Oil, Spiders, Liners or Slips, or Spudding Shoes and Rings, Stirrups, Disconnecting, Swabs, Steel and Rubber, Swivels, Hydraulic Rotary, Tank Steel, Tanks, Iron or Steel, knocked down.
*700-A Cancel 700		
	(Continued)	

* * * "Brick, Fire," eliminated.

*Change, Decision No.

↓Reduction.

EFFECTIVE APRIL 24, 1940.

Correction No. 113

Issued by The Railroad Commission of the State of California,
 San Francisco, California.

First Revised Page....58
 Cancels
 Original Page.....58

HIGHWAY CARRIERS' TARIFF NO. 2

Item No.	SECTION NO. 3	COMMODITY RATES (Continued)
	OIL, WATER OR GAS WELL OUTFITS AND SUPPLIES, and Other Articles, viz.:	
	(Concluded)	
	Temper Screws and Parts, Templates, Box and Pin, Thief Hole Covers, Iron, Tongs, Pipe, weighing each 20 pounds or over, Tools, Oil, Water or Gas Well Drilling or Fishing (Covers only such tools as are commonly known and recognized as Oil, Water or Gas Well Drilling or Fishing Tools and as used under the surface of the ground in the process of drilling an oil, water or gas well), Towers, Atmospheric Water Cooling,	Tubs, Oil, Water or Gas Well Cooling, Underreamers, Valves, Iron or Brass, Valves, Pump Working Barrel, Wagons, Casing or Bit, Wire Rope, Wobblers, Wrenches, Drive Clamp, Sucker Rod or Swivel, also Tool Wrenches weighing each 20 pounds or over, Arms, Cants, Handles or Pins, Band, Bull or Calf Wheel, wooden, Guides, wire lines, wooden, Rig Irons, including necessary quantity of nails.
*700-A Cancels 700	The following applies only in connection with rates subject to a minimum weight of 30,000 pounds:	
(Concluded)	The following equipment or appliances, forming a part of Oil, Water or Gas Well Outfits and Supplies, will, if shipped in mixed shipments with such Oil, Water or Gas Well Outfits and Supplies, be taken at the rate and minimum weight applicable on such Oil, Water or Gas Well Outfits and Supplies:	
	Air Compressors, Anvils, Belts, Blacksmiths' Rotary Blowers, ▲ Boilers, including Fire Clay for setting, Boiler Parts, Boiler Fronts, ▲ Brick, Fire, Electric Generators, Engines, Power Pumps,	Pull Rods, Rope, Smokestacks, Tanks, Oil and Gas Separating, Automatic, Steam Boiler Trucks or Running Gears, Knocked Down, One box Mechanics' Tools, second-hand (used), not exceeding 1,000 pounds in weight.
*Change, Decision No. ▲Change, neither increase nor reduction.		
EFFECTIVE APRIL 24, 1940.		
Issued by The Railroad Commission of the State of California, San Francisco, California.		
Correction No. 114		