

Decision No. 43070

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
H. H. ROACH, doing business as)	
MARKET TRUCKING COMPANY, for relief)	Application No. 30202
under Section Ten of the City)	
Carriers' Act and Section Eleven of)	
the Highway Carriers' Act.)	

Appearances

Carl W. Faucett, for Applicant.

Arlo D. Poe, for Motor Truck Association of Southern California, interested party.

W. O. A. Steiger, for Southern California Freight Lines and Southern California Freight Forwarders, interested parties.

O P I N I O N

H. H. Roach, an individual doing business as Market Trucking Company, is engaged in transporting property for compensation under authority of radial highway common carrier, highway contract carrier, and city carrier permits issued by the Commission. In this proceeding he seeks authority to assess, for service performed for Reid, Murdock & Co., a wholesale grocery company, rates which are computed on a different basis than that prescribed by the Commission in establishing minimum rates, rules, and regulations for the transportation of general commodities within California.

Public hearing of the matter was had before Examiner Abernathy at Los Angeles on May 5, 1949.

Applicant testified that he has been serving Reid, Murdock & Co. for a number of years, and that such service constitutes virtually all of his transportation operations. The commodities

which he transports for this company are canned foods and related articles. Quantities of 40,000 pounds or more of these commodities, in minimum shipments of 10,000 pounds, are tendered to him daily for delivery to retail merchants who are located within a radius of approximately forty miles from the center of Los Angeles. Each shipment is distributed among a number of consignees within the same general area. On the average, the number of consignees per shipment is about twenty-two.

Applicant stated that until early in 1948 he had computed his freight charges in accordance with the provisions in the minimum rate tariffs applicable to split-delivery shipments.¹ He asserted that because of the number of deliveries involved in each shipment, and because the routes of delivery are irregular, the computation of charges under the tariff provisions proved to be a burdensome procedure. In 1948 he developed a different method of computation which he has been applying since.² Under this method charges are computed upon the basis of an average rate for each area into which the shipments are delivered. The witness said that he had tested the average rates by comparing the charges calculated thereunder on every shipment which he had handled during the last three months of 1947 and the first three months of 1948 with the charges which were produced under the minimum rates. Allegedly, the charges under the

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The minimum rates applicable to the transportation herein involved are provided in Highway Carriers' Tariff No. 2 (Appendix "D" to Decision No. 31606, as amended, in Case No. 4246) and in Highway Carriers' Tariff No. 5, City Carriers' Tariff No. 4 (Appendix "A" of Decision No. 32504, as amended, in Case No. 4121). These rates vary according to the weight of the shipment, the length of the haul, and the classification of the commodity. The tariffs set forth additional charges which apply when a shipment is delivered to more than one consignee.

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The witness indicated that he was not aware at the time that he should have obtained Commission authority prior to his assessing the different basis of rates.

average rates were the higher. The witness stated that since the average rates were developed, they have been adjusted to reflect subsequent increases in the minimum rates. It was asserted by the applicant that under his method the applicable freight charges can be calculated more readily and that the shipper, Reid, Murdock & Co., can check them more easily. A proposed scale of average rates was submitted by the witness.

Representatives of the Motor Truck Association of Southern California and of certain common carriers appeared as interested parties and participated in examination of the witness. No one specifically opposed the granting of this application.

Applicant does not allege that the established minimum rates are excessive or otherwise unreasonable.³ He asserted that his "average" rate basis would permit a reduction in clerical costs but conceded that the established basis would not inconvenience him greatly. It appears that his principal aim in this proceeding is to simplify billing methods for the convenience of the shipper who does not maintain a traffic department in its Los Angeles office.⁴

In a proceeding of this nature it is necessary that the Commission weigh the asserted inconveniences which may result from use of the established basis of minimum rates against the public benefits which are derived from the maintenance of a stabilized basis

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To the contrary, applicant has been assessing, and herein seeks authority to continue assessing, "average" rates which assertedly would result in charges in excess of those which would be produced by the established minimum rates. Applicant's rate comparison was not supported, however, by any showing of the actual results under either basis, or by other adequate explanation.

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The matter of checking applicant's freight bills under the minimum rates does not seem particularly complex. The bills covering shipments into each area evidently conform to a general pattern, inasmuch as applicant makes deliveries to the same customers of Reid, Murdock & Co., week after week. The commodities involved are few, and little rating for classification purposes is required.

of transportation charges. In order to preserve these benefits for the public, the Commission will not authorize unnecessary deviations from the established rates in the absence of a clear affirmative showing that such rates will prove unduly burdensome or impracticable. (See Decisions Nos. 35064, A & B Garment Delivery, (44 CRC 48,49); 35518, R. W. Baetz (44 CRC 267,271); and 32320 in Application No. 22408, Ben Gruell, (unreported)). Such a showing has not been made on this record.

Upon careful consideration of the evidence of record, it is concluded that applicant has not shown his proposed basis of rates to be "reasonable" or "consistent with the public interest," within the meaning of Section 10 of the City Carriers' Act, or Section 11 of the Highway Carriers' Act. The application will be denied.

O R D E R

Based upon the evidence of record and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that the above entitled application be and it is hereby denied.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at San Francisco, California, this 28th day of June, 1949.

R. B. Johnson
Justus J. Calver
W. H. Taylor
Harold P. Hule
Reverend P. D. Pitt
Commissioners