

ORIGINAL

Decision No. 44893

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into)
the rates, rules, regulations, charges,)
allowances and practices of all common)
carriers, highway carriers and city)
carriers relating to the transportation)
of property.)

Case No. 4808

Appearances

C. G. Anthony, Joe Araiza, F. C. Balbo, J. R. Bartholomew, H. J. Bischoff, E. O. Blackman, Edward M. Berol, James J. Broz, Herbert Cameron, T. J. Champion, Frank M. Chandler, Fred H. Chesnut, A. B. Clark, John W. Crowe, T. R. Dwyer, R. C. Ellis, L. C. Faus, Larry M. Fites, Howard Fulton, Aaron H. Glickman, Frank R. Golzen, Lloyd R. Guerra, Marvin Handler, George D. Hart, Harold M. Hays, G. W. Hirni, Geo. T. Hurst, Fred T. Leonard, Ellis T. Longenecker, J. E. Lyons, P. E. McDermott, Wm. Meinhold, A. W. Merrifield, Donald Murchison, Arlo D. Poe, J. M. Souby, Jr., Frank Terramorse, Reginald L. Vaughan, and R. E. Wedekind, for various carriers and carrier associations.

William L. Anderson, Ralph H. Fortune and Charles F. Lawrence, for U. S. Department of Agriculture.

P. J. Arturo, L. A. Bey, Laurence E. Binsacca, B. F. Bolling, C. R. Boyer, J. G. Breslin, A. W. Brown, Eugene P. Camous, A. D. Carleton, E. R. Champion, Ralph Crandall, H. M. Daschbach, John A. Doane, M. A. Donahue, W. R. Donovan, Joseph T. Enright, J. H. Flynn, Waldo A. Gillette, Wallace P. Gunn, H. L. Gunnison, George J. Harrington, Rudolph Illing, N. E. Keller, John F. Kirkman, William Larimore, H. A. Lincoln, G. E. Lowe, S. A. Moore, W. O. Narry, W. G. O'Barr, John A. O'Connell, Milton O'Donnell, L. E. Olson, A. E. Patton, Allen K. Pentilla, R. Ristrom, Eugene A. Read, Walter A. Rohde, James L. Roney, A. L. Russell, A. F. Schumacher, R. F. Taylor, R. E. Tewson, A. H. Valentine, Donn Wilson, L. H. Wolters, A. A. Wright, and L. M. Wright, for various shippers and shipper organizations.

SUPPLEMENTAL OPINION

Minimum rates established for the transportation of lumber and forest products by highway carriers are set forth in Highway Carriers' Tariff No. 2, Appendix "D" to Decision No. 31606, 41 C.R.C. 671 (1938), as amended. These rates are state-wide in their application. They are stated in cents per 100 pounds. The tariff provides

that actual weights shall be used in determining transportation charges, except "when no scale or other means of ascertaining actual weight is available." The tariff also provides estimated weights, stated in pounds per 1,000 feet board measure, for use in those instances when actual weights are not obtainable. The estimated weights vary with the condition of the lumber (green, seasoned or dry) but not with its species.

Associated Lumber Truckers, an association of northern California highway carriers operating chiefly from the producing areas in Butte, Lassen, Shasta, Tehama and Trinity Counties, petitioned for the establishment of increased estimated weights. A public hearing was had at San Francisco before Examiner Mulgrew. The examiner issued a proposed report. He discussed therein increased estimated weights sought by petitioner, revisions in estimated weights recommended by an engineer from the Commission's Transportation Department staff, and a proposal submitted by a rate expert from the Department that "agreed" weights (weights based on averages developed from test weighings) be substituted for estimated weights. Pointing out that there were wide variations in lumber weights, the examiner concluded that neither estimated nor "agreed" weights would dispose of the problems involved effectively. Actual weights, he said, would provide the proper basis for determining charges. He pointed out that the Commission had canceled estimated weights for fresh fruit and vegetable hauling by highway carriers and that it had rejected a proposed "agreed" weight basis for those commodities. The actual weight basis, the Commission had held, would tend to eliminate or minimize discrimination and to produce equitable charges (Decision No. 44301, 49 Cal.P.U.C. 59 (1949)). Accordingly, the examiner recommended that the petition for increased estimated weights on lumber and forest products be denied,

that the proposed "agreed" weight basis for those commodities not be adopted, and that the estimated weights thereon be canceled.

Exceptions to the proposed report were filed only by Motor Truck Association of Southern California. It alleged that the lumber hauling operations of its members differed from other highway carrier operations. It requested an opportunity to offer additional evidence. The request was granted. The further hearing was had at Los Angeles before the examiner.

The principal operations of the Association's lumber carrier members are deliveries of finished lumber. Some of them also haul unfinished lumber. The carrier witnesses said that in the latter type of hauling the distances were relatively long, scales were available along routes of movement and the obtaining of actual weights did not interfere with the operations. On the other hand, they said, the deliveries involved short hauls, scales were not generally available along the practical operating routes and operations were generally in congested areas. They asserted that the greater distances and time which would be involved in the detours necessary for scaling the deliveries would result in undue and unwarranted additional costs, that it was not feasible to ascertain actual weights by scaling and that weight was not as important a consideration in short as in long hauls.

Lumber transactions, according to the witnesses, are generally on a board foot basis and the shippers' records, therefore, do not ordinarily disclose the weights involved. The shippers, they said, would not countenance the delays which would be involved in weighing the lumber. They also said that the shippers were opposed to charges which would vary with differences in weights for like board footage. They claimed that the shippers would not pay rates

reflecting the added costs of weighing and instead would handle their deliveries with proprietary equipment.

For the foregoing reasons, the witnesses indicated, actual weights had been rarely obtained and virtually all deliveries had been made on the estimated weight basis. They explained that when it had appeared to them that the actual weight greatly exceeded the estimated weight they had on occasion weighed consignments in order to obtain more appropriate bases of charges. They said, moreover, that they believed that in delivery service board foot rates would be preferable to weight rates. They stated, however, that they were not prepared to submit board foot rates at this time. They also stated that they were satisfied to continue their delivery operations under the existing estimated weights.

The showing made on this record fails to establish that increased estimated weights are justified or to demonstrate that "agreed" weights should be prescribed. On the contrary, it establishes that, for the most part, nondiscriminatory and otherwise equitable charges will be produced by basing the applicable charges on actual weights. These conclusions are those recommended by the examiner in his proposed report and other than as hereinbefore discussed were not assailed on exceptions thereto. They will be adopted, except as indicated below.

The evidence on further hearing demonstrates that in short-haul deliveries actual weights for lumber traffic cannot ordinarily be obtained without interfering with the shippers' service requirements and without incurring added costs; that in such operations estimated weights have been in general use in place of actual weights for some time; and that these arrangements have been mutually

satisfactory to carriers and shippers. Accordingly, the existing estimated weight basis will be retained for determining charges under minimum rates for the transportation of seasoned and machine finished lumber and forest products in short-haul delivery service. This will be accomplished by restricting the estimated weight basis to hauls of 50 miles or less and to seasoned and finished articles.

Upon consideration of all of the facts and circumstances of record, we are of the opinion and hereby find that revision of provisions affecting weights to be used in determining charges for the transportation of lumber and forest products is justified to the extent hereinbefore indicated and as provided by the order herein; and that, in other respects, the proposals made have not been justified.

O R D E R

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

IT IS HEREBY ORDERED that Decision No. 31606, in Case No. 4246, as amended, be and it is hereby further amended by incorporating in Highway Carriers' Tariff No. 2 (Appendix "D" of said Decision No. 31606, as amended) First Revised Page 55 cancels Original Page 55, attached hereto and by this reference made a part hereof, to become effective November 10, 1950.

IT IS HEREBY FURTHER ORDERED that tariff publications required or authorized to be made by common carriers as a result of the order herein shall be made effective not later than November 10, 1950, and not earlier than five (5) days after the effective date of this order; and that such publications may be made effective on not less than five (5) days' notice to the Commission and to the public.

IT IS HEREBY FURTHER ORDERED that the petition of Associated Lumber Truckers be and it is hereby denied.

In all other respects said Decision No. 31606, as amended, shall remain in full force and effect.

This order shall become effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this 10th day of October, 1950.

R. E. Zimmerman
Justus F. Green
Leopold J. Muel-
Harold A. Hula
Penelope Potter
Commissioners

Item No.	SECTION NO. 3	COMMODITY RATES (Continued)																
670	<p>CHARGES FOR WEIGHING SHIPMENTS</p> <p>The initial weighing of shipments of Lumber and Forest Products, also Building Woodwork as described in Item No. 660 series, may be performed by the carrier and at carrier's expense. In event shipper or consignee desires that a shipment be reweighed, the cost of such reweighing shall be assessed against the shipment.</p>																	
*680-A Cancels 680	<p>ESTIMATED WEIGHTS</p> <p>Estimated weights provided in this item shall be used in lieu of actual gross weights for the transportation of Lumber and Forest Products, as described in Item No. 660 series and herein, when the constructive distance from point of origin to point of destination does not exceed 50 miles. (See Note.)</p> <table><tr><td>Lumber, seasoned, viz.: cedar, cottonwood, fir, hemlock, pine, redwood and spruce, per 1,000 feet board measure---</td><td>Pounds 2500</td></tr><tr><td>Lumber, green, viz.: cedar, cottonwood, fir, hemlock, pine, redwood and spruce, per 1,000 feet board measure-----</td><td>***</td></tr><tr><td>Lumber, dry, machine finished, viz.: flooring, rustic, siding, ceiling, shiplap, per 1,000 feet board measure--</td><td>2200</td></tr><tr><td>Lath,--6,000 four foot laths will be counted the equivalent of 1,000 board feet of lumber--if greater or less than four feet, increase or decrease the number of laths proportionately-----</td><td>Apply the estimated weight for the type of lumber used in the laths.</td></tr><tr><td>Shakes, sawed or split, 2,500 will be counted the equivalent of 1,000 board feet-----</td><td>Apply the estimated weight applicable to the type of lumber in shakes.</td></tr><tr><td>Shingles (cedar) dry, per 1,000-----</td><td>150</td></tr><tr><td>Shingles (cedar) green, per 1,000-----</td><td>210</td></tr><tr><td>Shingles (pine or redwood), 8,000 will be counted the equivalent of 1,000 board feet-----</td><td>Apply the estimated weight applicable to type of lumber used.</td></tr></table> <p>NOTE:--For other transportation estimated weights canceled, Item No. 70 series will apply.</p>		Lumber, seasoned, viz.: cedar, cottonwood, fir, hemlock, pine, redwood and spruce, per 1,000 feet board measure---	Pounds 2500	Lumber, green, viz.: cedar, cottonwood, fir, hemlock, pine, redwood and spruce, per 1,000 feet board measure-----	***	Lumber, dry, machine finished, viz.: flooring, rustic, siding, ceiling, shiplap, per 1,000 feet board measure--	2200	Lath,--6,000 four foot laths will be counted the equivalent of 1,000 board feet of lumber--if greater or less than four feet, increase or decrease the number of laths proportionately-----	Apply the estimated weight for the type of lumber used in the laths.	Shakes, sawed or split, 2,500 will be counted the equivalent of 1,000 board feet-----	Apply the estimated weight applicable to the type of lumber in shakes.	Shingles (cedar) dry, per 1,000-----	150	Shingles (cedar) green, per 1,000-----	210	Shingles (pine or redwood), 8,000 will be counted the equivalent of 1,000 board feet-----	Apply the estimated weight applicable to type of lumber used.
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<p>* Change) Decision No. 44893 *** Canceled)</p>																		
<p>EFFECTIVE NOVEMBER 10, 1950</p>																		
<p>Issued by the Public Utilities Commission of the State of California, San Francisco, California</p> <p>Correction No. 415</p>																		