

Decision No. 45804

ORIGINAL

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

- Gordon & Knapp, by Wyman C. Knapp,
for respondent carriers.
- T. A. L. Loretz, for California
Household Goods Carriers' Bureau.
- Jackson W. Kendall, for Bekins Van
Lines, Inc.
- W. Ray James, for James Van Lines.

SUPPLEMENTAL OPINION

By Decision No. 44919 of October 17, 1950, in this proceeding, minimum rates, rules and regulations theretofore applicable to the transportation of used household goods and related articles were substantially revised. The revised bases are set forth in City Carriers' Tariff No. 3-A - Highway Carriers' Tariff No. 4-A.¹ This tariff specifies the minimum rates and charges which must be observed by city, radial highway common and highway contract carriers of household goods and other designated commodities.

To conform with the revised minimum rate structure, highway common carrier respondents made corresponding adjustments in their tariffs specifying the actual rates which they must observe and the precise charges they must assess. T. A. L. Loretz, a tariff publishing agent, published and filed California Household Goods Carriers' Bureau

¹ This minimum rate tariff superseded, effective November 20, 1950, City Carriers' Tariff No. 3 - Highway Carriers' Tariff No. 4.

Tariff No. 1, Cal.P.U.C. No. 2, for eleven of these respondents.² His tariff superseded separate tariffs of each of these carriers. Additional charges on light and bulky shipments, on shipments requiring the use of small units of equipment, and on shipments involving special trips were carried forward from some of the carrier tariffs into the Loretz tariff. Other common carrier tariffs superseded by the agent's tariff did not contain similar rules. Such rules were not made applicable over the lines of these carriers. Like rules do not apply to the operations of common carriers not participating in the Loretz tariff nor to the operations of permitted carriers under the minimum rate tariff. In other respects, there is general similarity of rates, rules and regulations of common and permitted carriers.

In the circumstances and upon respondents' request, the Commission issued an order scheduling a public hearing with respect to the rules of the Loretz tariff in question, namely, Items Nos. 210(f), 210(g) and 370. The purpose of the hearing was to receive evidence relative to the reasonableness, lawfulness and propriety of the provisions of these items. The hearing was held at San Francisco on May 10, 1951, before Examiner Mulgrew.

Item No. 210(f), which five of the participating carriers apply, provides for determination of charges on the basis of five pounds per cubic foot of space occupied when that basis produces a greater charge than the charge produced by a determination based on the actual weight of the consignment.³ The carriers involved believe that such a rule is no longer required. They do not wish to attempt

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They are: Baker's Transfer & Storage, Bekins Van Lines, Inc., Boyle and Son, C. A. Buck, Calmay Van Lines, Inc., Churchill Transportation Company, Don Hemsted's Van & Storage, James Van Lines, Liberty Van Lines, Lyon Van Lines, Inc., and Palo Alto Transfer and Storage Company.

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Bakers, Bekins, Calmay, James and Lyon are carriers applying this item. The other six participating carriers do not apply it.

to justify its retention under present conditions. They are willing to cancel it. They will, therefore, be authorized and directed to cancel the item in question.

The other two rules do not apply in the ordinary run of used household goods transportation operations. Item No. 210(g), in which six of the carriers participate, covers those operations requiring the use of small equipment.⁴ It provides for an increase of 50 percent in the applicable rate in the instances where large equipment cannot reach the point of origin or destination and a transfer of the shipment from or to smaller equipment is necessary.

The remaining rule, Item No. 370, in which four of the carriers participate, provides for the assessing of minimum charges for special trips.⁵ For three of the carriers, the applicable minimum charge is based on the weight of a capacity load for the equipment used, except that between San Francisco and Oakland, on the one hand,⁶ and Sacramento, on the other hand, the minimum load is 3,000 pounds. For the remaining carrier, the minimum load is 4,000 pounds for all special trips.⁷

In lieu of the above rules, the tariff agent proposed rules entitled "Impracticable Operations" and "Minimum Weight Service." The first of these provides that, when it is necessary to transfer the shipment from or to a smaller vehicle to effect pickup or delivery due to the structure of the building or its inaccessibility, additional charges of \$3.00 per hour for labor and \$3.00 per hour for the vehicle used shall be assessed.

⁴The five carriers listed in Footnote 3 and Palo Alto apply this rule: the remaining five carriers do not.

⁵Bekins, Calmay, Lyons and James are the carriers applying this rule.

⁶Bekins, Calmay and Lyons.

⁷James.

The other rule specifies the minimum weight to be used in computing charges when exclusive use of the equipment or a designated part thereof is requested by the shipper. The minimum weights specified vary with the length of loading space involved. The agent said that identical provisions appear in his interstate tariff applicable between points in eleven western states.⁸ Similar provisions, he said, are contained in the Household Goods Carriers' Association tariff, which is published for most of the eastern and trans-continental carriers.⁹

In support of the proposed rules, the tariff agent testified that the rule covering "Impracticable Operations" is designed to take care of those situations where street or road conditions prevent line-haul vans from traveling to the point of origin or destination of the shipment. He said that, unlike general freight hauling which nearly always has easily accessible points of origin and destination, household goods transportation frequently involves pickup or delivery at residences on narrow streets, in hilly areas or at other locations difficult to reach. The witness explained that, in these cases, it is often necessary to transfer the shipment from or to a smaller vehicle resulting in additional costs to the carrier. Without some tariff provision to take care of these abnormal situations, he said, such higher costs would have to be reflected in the regular rates, resulting in abnormal costs being reflected in higher rates for shippers not requiring the additional service involved. A carrier witness stated that the \$3.00 hourly charge for labor and the \$3.00 hourly charge for use of the vehicle in the proposed rule are comparable to hourly charges for similar services contained in the Commission's minimum rate tariff covering transportation of used household goods.¹⁰

⁸Western States Movers' Conference Tariff MC-ICC No. 9. The states are: Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming.

⁹Household Goods Tariff Bureau Tariff No. 42-A, MF-ICC No. 51.

¹⁰Rates per hour in the minimum rate tariff for equipment and driver vary according to the location where the service is performed and the loading area of the equipment. They range from \$5.25 to \$6.00. The charges for additional helpers and for accessorial services on a per man per hour basis also vary territorially. The helper charge ranges from \$2.60 to \$3.10 and the accessorial service charge from \$2.80 to \$3.30.

In regard to the other proposed rule, "Minimum Weight Service," the tariff agent explained that it would be operative only at the request of the shipper and that it is intended to compensate the carrier when all or a specified part of a vehicle is desired by the shipper for his exclusive use or for a special trip. According to the witness, the minimum weights proposed for the different lengths of loading space involved were developed on the basis of the cubic capacities of equipment and of the average weight per cubic foot of household goods shipments.¹¹

The carrier witness explained that the rules now in effect in the California intrastate tariff were established by the carriers involved during the early 1930's in an attempt to solve the above-described problems. Meanwhile, he said, these problems were being treated differently elsewhere by respondents and by other carriers engaged in interstate transportation. On the strength of interstate experience, such rules have been refined to the present interstate basis. The witness stated that the interstate rules have proven more satisfactory than the California rules.

Although the present tariff provisions apply for only six of the eleven carriers participating in the tariff, the agent requests that authority be granted to publish the proposed rules on behalf of all eleven carriers. He said that the conditions which make such rules necessary are encountered to some extent by all of the common carriers.

The regular notice of the hearing was given. No one appeared other than those representing the respondent carriers.

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According to the witness, the Interstate Commerce Commission has found that the average weight per cubic foot of household goods shipments is seven pounds. The proposal here, however, is based upon a weight per cubic foot of six pounds, as the carriers' experience has shown that present day shipments of household goods are less dense than was formerly the case.

The additional charges here proposed would apply only when abnormal pickup or delivery conditions prevail, or when special services are performed pursuant to the shipper's request therefor. Under the minimum rates, permitted carriers may advise the shipper of their additional charges in such circumstances and quote and apply these charges. On the other hand, common carriers, as previously pointed out, must observe without deviation therefrom the rates and charges in their tariffs on file with the Commission. These carriers, it has been shown, need rules designed for these situations where there are abnormal conditions or where the shipper orders special service. The proposed rules have been tested by the carriers' wide interstate experience and have been found to be more appropriate than their existing California rules.

Certain minor changes in the proposed rules are desirable for clarity. As the hourly labor charge in the "Impracticable Operation" rule is intended to apply for each man used, the words "per man" should be inserted. In the same rule the term "point of origin" would be more descriptive than "residence." In order to avoid any possibility of the assessment of the regular additional charges for service beyond ground floor when the "Impracticable Operation" rule is invoked, a note should be added specifically stating that the additional charges for service beyond ground floor will not apply.

Paragraph (b) of the "Minimum Weight Service" rule, as proposed, starts as follows: "The minimum weight shall be determined by the length of loading space in the vehicle body." To avoid misinterpretation when only a part of the vehicle is reserved for a shipper's exclusive use, the phrase would be clearer as "The minimum weight to be used for the length of loading space in a vehicle, in accordance with paragraph (a) above."

Upon consideration of all of the evidence of record, we are of the opinion and hereby find that the rules as proposed, with the

changes outlined above, are reasonable and have been justified. The respondent carriers should be authorized and directed to cancel the present provisions of Items Nos. 210(f), 210(g) and 370 of the Loretz tariff. All of the carriers parties to that tariff should be authorized but not required to publish the rules found justified herein.

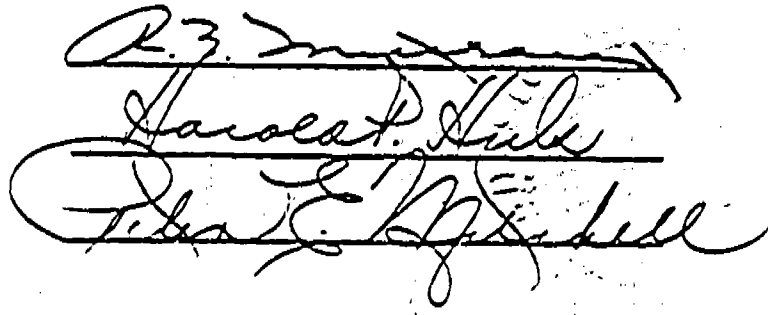
O R D E R

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

IT IS HEREBY ORDERED that highway common carriers parties to California Household Goods Carriers' Bureau Tariff No. 1, Cal.P.U.C. No. 2, issued by T. A. L. Loretz, Agent, be and they are hereby authorized and directed to cancel, within sixty (60) days after the effective date of this order and on not less than five (5) days' notice to the Commission and to the public, the provisions of Items Nos. 210(f), 210(g) and 370 of that tariff; and that said highway common carriers be and they are hereby authorized to establish and make effective, concurrently with the cancellation of the items above referred to and on like notice, the provisions contained in the proposed items, as modified by the changes outlined in the opinion which precedes this order.

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

Dated at Los Angeles, California, this 5th day of June, 1951.



Commissioners