

ORIGINAL

Decision No. 53052

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 general commodities (commodities for)
which rates are provided in Minimum)
Rate Tariff No. 2).)
Case No. 5432
Petition for
Modification No. 62
Petition for
Modification No. 62
(First Supplemental)

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 general commodities (commodities for)
which rates are provided in Minimum Rate)
Tariff No. 2).)
Case No. 5432
Petition for
Modification No. 74
Petition for
Modification No. 74
(First Supplemental)

SUPPLEMENTAL OPINION AND ORDER

The second ordering paragraph of Decision No. 52971 in these proceedings reads, in part:

"...that said common carriers be and they are hereby authorized to establish in their tariffs increases in class rates and charges in connection with the transportation of commodities for which minimum rates have not been established by the Commission ..."
(emphasis added).

Inquiries have been made whether common carriers were authorized to increase their commodity rates on the exempt commodities. It was the intention of the Commission that common carriers be authorized to increase such rates so that the transportation may assume its fair share of the increased wage costs disclosed by the record. So as to remove any doubt, an order will be entered specifically authorizing the appropriate increase in the rates.

It has been directed to the attention of the Commission that Decision No. 52971 did not discuss a motion made at the hearing

by the California Manufacturers Association that First Supplemental Petition No. 74 of the railroads be dismissed. It was contended that the matter of increasing the carload commodity rates of the railroads unduly broadened the issues in Petition No. 62 and that the filing of the first supplemental petition one day prior to the hearing took the parties by surprise. The contentions were considered by the Commission. The order entered in Decision No. 52971 is tantamount to a denial of the motion. However so that the parties may be apprised of the consideration given by the Commission, the motion will be briefly discussed and specifically acted upon.

The materiality of rail rates in Petition No. 62 was the subject of argument by the parties at the hearing on July 14, 1955, in Petition No. 62. The matter of the adjustment of rail rates that are maintained at Minimum Rate Tariff No. 2 levels was injected into the proceedings by Petition No. 62. Petition No. 74, filed March 20, 1956, and distributed to all parties at the hearing of March 28, 1956, specifies in particular the rail rates maintained at Minimum Rate Tariff No. 2 levels. Said Petition No. 74 at the end of Paragraph IV thereof states:

"The railroad respondents desire to increase such rates to the same extent as the Minimum Rate Tariff No. 2 rates may be increased."

The Commission is of the opinion that First Supplemental Petition No. 74 did not broaden the issues in these proceedings and that the parties were not taken by surprise by the consideration by the Commission of said petition at the hearing. The order herein will specifically deny the motion.

It appears appropriate to point out a typographical error in the opinion of the decision. At page 3 it was stated:

"To illustrate, in 1946 the rail rate and the minimum rate on canned goods in shipments of 30,000 pounds between Sacramento and Los Angeles was 31 cents. The present rate with the five per cent surcharge is 43.15 cents."

The figure 43.15 cents should be 45.15 cents. An order correcting the typographical error is not necessary. The order in Decision No. 52971 not having specifically authorized common carriers to increase commodity rates in connection with the transportation of commodities for which minimum rates have not been established by the Commission and the Commission being of the opinion that the transportation of such commodities should bear its share of the increased cost of operation resulting from the increase in wage expense effective May 1, 1956; and good cause appearing,

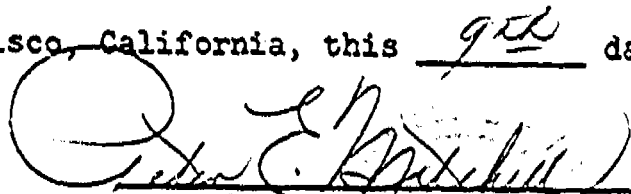
IT IS ORDERED that, in addition to the authorities granted in Decision No. 52971 in these proceedings, common carriers, including common carriers by railroad with respect to their less-carload rates and charges, be and they are hereby authorized to establish in their tariffs increases in commodity rates and charges in connection with the transportation of commodities for which minimum rates have not been established by the Commission, but that such increases shall be no greater in volume or effect than 2 per cent on rates which are subject to minimum weights of 20,000 pounds and greater, 3 per cent on rates which are subject to minimum weights of 10,000 pounds and greater but less than 20,000 pounds, 5 per cent on rates which are subject to minimum weights of less than 10,000 pounds, and with respect to minimum charges and accessorial services, to the same extent as the corresponding increases established in Decision No. 52971; provided however, that except as otherwise provided

herein, such increases shall be subject to the same limitations and conditions prescribed in said Decision No. 52971.

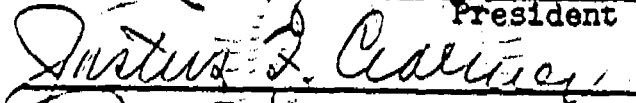
IT IS FURTHER ORDERED that the motion of the California Manufacturers Association be and it is hereby denied.

The effective date of this order shall be five days after the date hereof.

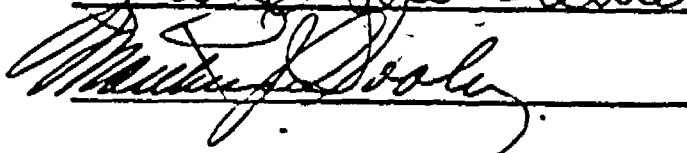
Dated at San Francisco, California, this 9th day of May, 1956.



President







Commissioners

Commissioner..... Rox Hardy....., being necessarily absent, did not participate in the disposition of this proceeding.