

ORIGINAL

Decision No. 57541

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into)
 the rates, rules and regulations, charges,)
 allowances and practices of all common)
 carriers, highway carriers and city car-)
 riers relating to the transportation of)
 any and all commodities between and)
 within all points and places in the State)
 of California (including, but not limited)
 to, transportation for which rates are)
 provided in Minimum Rate Tariff No. 2).

Case No. 5432
 Petition for Modification
 No. 112

Bertram S. Silver and Harold F. Culy, for
 Sierra Distributing Ltd., petitioner.
J. C. Kaspar, A. D. Poe and J. X. Quintrall,
 for California Trucking Associations, Inc.,
 protestant.
G. A. Carlson, for Procter & Gamble Distributing
 Company; V. Y. Stillwell, for Procter & Gamble
 Manufacturing Company; and John P. Ventre, for
 Howard Terminal; interested parties.

O P I N I O N

Minimum Rate Tariff No. 2 names rates for the transportation of general commodities between all points in California except for local transportation within incorporated cities, within described areas adjacent to certain cities, and between said cities and the adjacent areas. One of these areas includes the cities of Sacramento, North Sacramento and West Sacramento and designated industrial plants adjacent to those cities. By this petition, Sierra Distributing Ltd., operating as a highway permit carrier and as a city carrier, seeks to have the facilities of Procter & Gamble Manufacturing Company included in the Sacramento area exempted from the minimum rates.¹

¹ Procter & Gamble Manufacturing Company will sometimes be hereinafter referred to as "P & G".

The facilities in question are located adjacent to, but outside the city limits of the City of Sacramento along Power Inn Road and Fruitridge Road. Said facilities include a manufacturing plant and a warehouse.

Public hearing was held before Examiner Carter R. Bishop in Sacramento on August 19, 1958. Evidence in support of the petition was offered through officials of petitioner, of Procter & Gamble Distributing Company,² of Procter & Gamble Manufacturing Company, and of Howard Terminal Company. The granting of the petition was opposed by California Trucking Associations, Inc. Its participation was confined to examination of the witnesses and to closing argument.

According to the record, petitioner's primary business consists of transporting, as a contract carrier, shipments for P & G between its plant and points within the City of Sacramento, including the facilities of retail and wholesale concerns and public utility warehouses; also between the P & G plant and Howard Terminal, on the one hand, and points in California beyond the Sacramento area, on the other.

The rates assessed for transportation between the P & G plant and points within the Sacramento exempt area are those authorized as minimum by Highway Carriers' Tariff No. 2. The drayage rates generally applied within said exempt area, according to the record, are generally lower than the aforesaid rates provided by Minimum Rate Tariff No. 2. The record shows, moreover, that although the P & G plant is located outside the city limits of Sacramento, said plant is located within the Sacramento commercial area; that the P & G facility

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Procter & Gamble Distributing Company is an affiliate of Procter & Gamble Manufacturing Company. The former handles the sales and distribution of the raw materials and products of the latter. These include such items as soap, detergents, toilet goods and food.

is closer to the mileage base point³ for Sacramento than are several other establishments which, although they are outside the Sacramento city limits, are specifically included within the aforementioned exempt area; and that transportation between the P & G plant and points within the exempt area has the characteristics of local drayage rather than over-the-road movements.

Petitioner was supported in its request by the two Procter & Gamble companies and by Howard Terminal.

The research director of protestant California Trucking Associations, Inc., stated the position of that organization as follows: The Association's protest is based largely on the form of relief herein requested, that is, the exemption from minimum rates of P & G specifically by name. The Association realizes that several establishments have previously been included in the Sacramento exempt area by name but believes that this method is improper. According to the Association, if the exempt area in question is to be enlarged to include the facilities of P & G, such inclusion should be accomplished by the use of "metes and bounds." Only in the Sacramento area, the director asserted, has the Commission provided exemption from minimum rates specifically by name.⁴

The Association, moreover, objects to any enlargement of the Sacramento exempt area as now constituted. The legislature, the director said, has, in the interest of rate stabilization, established

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The mileage base point in question is that from and to which constructive highway distances are calculated for the determination of minimum rates between Sacramento and points beyond under Minimum Rate Tariff No. 2 and Distance Table No.4. The base point is located at 12th and L Streets.

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The record shows that the Sacramento exempt area is not the only one in which this method has been employed in Minimum Rate Tariff No. 2. An industry adjacent to Marysville and Yuba City is specifically named in an exemption provided in paragraph (f) of Item No. 30 Series of that tariff.

a program of minimum rates. Consequently, he added, the expansion of areas exempt from minimum rates, such as herein proposed, militates against the purposes of said program. He urged the establishment of appropriate minimum rates for all presently exempt areas.

With respect to the Association's protest, the Commission has consistently given recognition to the principle that movements within a commercial area, when transportation characteristics are substantially uniform, should be given like treatment as to rates. Minimum rates for the transportation of general commodities between points in Sacramento have not been established. Therefore, in the absence of such rates, where establishments are shown to be a part of the Sacramento commercial area, the Commission has consistently amended the minimum rate tariff to extend the Sacramento exempt area to embrace such establishments. If it is believed that the tariff description of said exempt area should be revised by substituting metes and bounds designations for the names of individual establishments, where the latter are now shown, the matter may be brought to the Commission's attention by the filing of an appropriate petition.

Upon careful consideration of the evidence of record we are of the opinion and hereby find that the relief sought herein has been justified. The petition will be granted.

By Decision No. 57540, entered today, in connection with Petition for Modification No. 119 in Case No. 5432, the request of Fort Sutter Warehouse Co. to have its plant in the vicinity of Sacramento included in the Sacramento exempt area was granted. In the interest of economy, the relief authorized by that decision has been incorporated in the amended tariff page to Minimum Rate Tariff No. 2 appended hereto.

ORDER

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

IT IS ORDERED that Minimum Rate Tariff No. 2 (Appendix "D" to Decision No. 31606 as amended) be and it is hereby further amended by incorporating therein, to become effective November 21, 1958, Nineteenth Revised Page 13, which page is attached hereto and by this reference made a part hereof.

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

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

Dated at San Francisco, California, this 28th of October, 1958.

E. L. Fox
President
W. L. Mitchell
Raul L. Greiner
W. J. Smith
Theodore Jenner
Commissioners

Cancels

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
<p>*30-Q Cancels 30-P</p>	<p style="text-align: center;">APPLICATION OF TARIFF - TERRITORIAL (Items Nos. 30 and 31)</p> <p>Subject to Note 1 of Item No. 31 the rates in this tariff apply for transportation of shipments between all points within the State of California, except:</p> <p>(a) Shipments having point of origin in Alameda, Albany, Berkeley, Emeryville, Oakland or Piedmont, and point of destination in another of those cities;</p> <p>(c) Shipments having both point of origin and point of destination within the San Diego Drayage Area as described in Minimum Rate Tariff No. 9-A;</p> <p>(d) Shipments having both point of origin and point of destination within the Los Angeles Drayage Area, as described in Minimum Rate Tariff No. 5;</p> <p>(e) Shipments (1) between Sacramento and North Sacramento; (2) between Sacramento and West Sacramento; (3) between said cities on the one hand and the adjacent plants of the Lumbermen's Supply, Inc., Essex Lumber Company, Campbell Soup Company, McKesson & Robbins, Inc., Howard Terminal Warehouse, Royal Packing Company, #6 Procter & Gamble Manufacturing Company, and #6 Fort Sutter Warehouse Co., on the other hand; (4) between said cities and plants on the one hand and the Sacramento Air Depot, the Sacramento Municipal Airport and the Sacramento Signal Depot on the other hand; (5) between the Sacramento Air Depot, the Sacramento Municipal Airport and the Sacramento Signal Depot; and (6) between any of the communities, plants, or other locations identified in this paragraph;</p> <p>(f) Shipments between Marysville and Yuba City and between said cities on the one hand and the adjacent plant of the Harter Packing Company on the other hand;</p> <p>(g) Shipments between the Sonora Freight depot of the Sierra Railroad Company and Sonora;</p> <p>(h) Shipments having both point of origin and point of destination within the metropolitan Fresno area embraced by the following boundaries (includes both sides of streets, boulevards, roads, avenues or highways named):</p> <p>Beginning at the intersection of Hayes Avenue and Shaw Avenue, easterly along Shaw Avenue to U.S. Highway 99, northwesterly along U.S. Highway 99 to the San Joaquin River, easterly along the San Joaquin River to Friant Road, southerly along Friant Road to Alluvial Avenue, easterly along Alluvial Avenue to Fresno Avenue, southerly along Fresno Avenue to Herndon Avenue, easterly along Herndon Avenue to Chestnut Avenue, southerly along Chestnut Avenue to Shaw Avenue, easterly along Shaw Avenue to Fowler Avenue, southerly along Fowler Avenue to Jensen Avenue, westerly along Jensen Avenue to Willow Avenue, southerly along Willow Avenue to Central Avenue, westerly along Central Avenue to U.S. Highway 99, northwesterly along U.S. Highway 99 to North Avenue, westerly along North Avenue to Marks Avenue, northerly along Marks Avenue to Jensen Avenue, westerly along Jensen Avenue to Cornelia Avenue, northerly along Cornelia Avenue to Kearney Avenue, westerly along Kearney Avenue to Hayes Avenue, northerly along Hayes Avenue to point of beginning.</p> <p style="text-align: center;">(Continued in Item No. 31)</p>

* Change)
o Reduction)
Addition)

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EFFECTIVE NOVEMBER 21, 1958

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.

Correction No. 851