

ORIGINALDecision No. 5777?

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 (including, but)
 not limited to transportation for which)
 rates are provided in Minimum Rate Tariff)
 No. 2).

Case No. 5432

SUPPLEMENTAL OPINION AND ORDER

Minimum rates, rules and regulations for the transportation of general commodities are prescribed in Minimum Rate Tariff No. 2. There are currently contained in Item No. 605 of the tariff certain commodity rates for the transportation of dairy butter, cheese, and margarine between San Francisco Territory and Los Angeles Territory. These rates are subject to surcharges of varying percentages according to the minimum-weight brackets. The surcharge adjustments are interim in nature pending further determination by the Commission.¹

The rates in Item No. 605 are applicable to straight shipments of these commodities in minimum weight brackets of any quantity, 4,000, 10,000, 20,000, 30,000 and 40,000 pounds. Split pickup or split delivery service may be accorded under the rates only when all component parts are received at or delivered to points within the Los Angeles or San Francisco Territories and intermediate points along the designated highway routes as provided in Item No. 900 of the tariff. Item No. 605 also provides that when refrigeration service is rendered, certain accessorial rates apply.

In an earlier phase of Case No. 5432, California Trucking Associations, Inc., made specific recommendations with respect to

¹ Decision No. 55704, dated October 15, 1957, Case No. 5432 (Pet. No. 62)

many of the commodity rate items in the tariff. With exceptions not pertinent here, a general recommendation was made by the Association to eliminate all commodity rates applying to shipments weighing less than 20,000 pounds; to increase the minimum truckload weight to 40,000 pounds; and to incorporate the applicable surcharges into the rates.²

The Commission deferred decision on the recommendations of California Trucking Associations, Inc., concerning the commodity rates pending completion of studies then being made by the Commission staff. The Commission said: "Upon receipt of these studies and such other evidence as then may be offered, determination will be made to what extent, if at all, the various commodity rates should be adjusted." (Decision No. 55249 dated July 9, 1957, in Case No. 5432)

The staff study on the traffic herein considered, in the form of a proposed exhibit prepared by an associate transportation rate expert, was distributed to all known interested parties on or about July 30, 1958. The parties were requested to submit any comments or suggestions on or before September 8, 1958, and were informed that in the absence of substantial objection or request for public hearing, consideration would be given to the issuance of an ex parte order revising Minimum Rate Tariff No. 2 in accordance with the staff recommendation as contained in the report of the rate expert.

No substantial objection or request for public hearing has been received. The staff report has been made a part of the record in this proceeding, identified as Exhibit O-1.

The staff report recommends with reference to Item No. 605 of the tariff that the present surcharges be incorporated into the rates. It states that the absorption of the surcharges into

²

See Exhibit No. 62-67, dated November 1, 1956, in Case No. 5432, Petition for Modification No. 62.

the rates will provide uniformity and simplification in applying the tariff. This change will involve only minor changes due to the disposition of fractions.

No other adjustments appear necessary, according to the report, in view of the limited scope of application of the butter, cheese and margarine commodity rates.

The staff report recommends that the less-than-truckload commodity rates not be eliminated, inasmuch as the elimination would result in the release of such traffic from minimum rate regulation heretofore found necessary by the Commission.

In the circumstances, it appears, and the Commission finds, that the modifications in the minimum rates as proposed in Exhibit O-1 in this proceeding are justified, and that the minimum rates, rules and regulations as so modified are and will be just, reasonable and nondiscriminatory minimum rates for the transportation of dairy butter, cheese and margarine. Minimum Rate Tariff No. 2 will be revised accordingly. This is a matter in which a public hearing is not necessary.

Therefore, good cause appearing,

IT IS ORDERED:

(1) That Minimum Rate Tariff No. 2 (Appendix "D" of Decision No. 31606, as amended) is hereby further amended by incorporating therein to become effective January 31, 1959, Sixth Revised Page 46-A, which revised page is attached hereto and by this reference made a part hereof.

(2) That tariff publications required to be made by common carriers as a result of the order herein may be made effective no earlier than the effective date hereof on not less than five days' notice to the Commission and to the public, and that such tariff publications shall be made effective not later than January 31, 1959.

(3) That 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 30th day of December, 1958.

C. L. Fox
President
Paul E. D. Hill
Robert L. ...
...
...
Commissioners

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INTERIM RATE TARIFF NO. 2

Item No.	SECTION NO. 3			COMMODITY RATES (Continued) In Cents per 100 Pounds	
	COMMODITY	BETWEEN	AND	(1) RATES Subject to Note 1	Minimum Weight In Pounds
	Butter, dairy, Cheese (including cottage cheese and pot cheese), Margarine	SAN FRANCISCO TERRITORY as described in Item No. 270-3	LOS ANGELES	147	Any Quantity
			TERRITORY	104	4,000
			as described	82	10,000
			in Item No.	68	20,000
			270-3	56	24,000
				52	30,000
				46	40,000

NOTE 1.—(a) When any component part of a split pickup shipment or a split delivery shipment as defined in Item No. 11 is received at and delivered to points between which rates in this item are applicable to other than split pickup or split delivery shipments, the component part or component parts so received and delivered shall be rated as a separate shipment under the provisions of this item.

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(b) Application of the provisions of Item No. 160 (split pickup) or Item No. 170 (split delivery) to the rates named in this item shall be limited to split pickup shipments or split delivery shipments, all of the component parts of which are received at or delivered to points of origin or destination located in San Francisco or Los Angeles Territories as described in Item No. 270 or located on any of the highway routes described in Item No. 900. In connection with such split pickup or split delivery shipments the rates named in this item are intermediate in application subject to Item No. 900.

(c) Rates named in this item subject to a minimum weight of 20,000 pounds or more do not include refrigeration service. Except as provided in paragraph (d), when shipments subject to such rates are furnished refrigeration service at shipper's request the charge therefor shall be 2 cents per 100 pounds. This rate shall be applied to the weight on which transportation charges are assessed to determine the refrigeration charges.

(d) For transportation of cold pack or frozen butter or margarine, subject to minimum weights of 30,000 pounds or more, an additional charge of 8½ cents per 100 pounds shall be made. The provisions of Item No. 185 shall not apply.

(1) Not subject to provisions of Supplement No. 43.

* Change }
 ◊ Increase } Decision No. 57773

EFFECTIVE JANUARY 31, 1959

Issued by the Public Utilities Commission of the State of California,
 San Francisco, California.
 Correction No. 884