

Decision No. 58059

**ORIGINAL**

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 carriers 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. 128

In the Matter of the Investigation into the rates, rules and regulations, charges, allowances and practices of all common carriers, highway carriers and city carriers 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. 5330  
Petition for  
Modification  
No. 7

In the Matter of the Investigation into the rates, rules and regulations, charges, allowances and practices of all common carriers, highway carriers and city carriers 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. 5433  
Petition for  
Modification  
No. 5

In the Matter of the Investigation into the rates, rules and regulations, charges, allowances and practices of all common carriers, highway carriers and city carriers 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. 5436  
Petition for  
Modification  
No. 23



Arlo D. Poe, J. C. Kaspar, and James Quintrall, for California Trucking Associations, Inc., petitioner.  
Ralph B. Harlan, for California Manufacturers' Association;  
Alan Silvius, for S. F. Grain Exchange and International Rotterdam, Inc., protestants.  
Harry E. Rockwood and Jon C. Hansen, for General Mills, Inc.; Chas. C. Miller, for San Francisco Chamber of Commerce; Ralph Hubbard, for California Farm Bureau Federation; S. A. Moore, for Permanente Cement Co.; W. F. McCann, for Container Corp. of America; Eugene A. Feise, for Calaveras Cement Co.; Wm. D. Wagstaffe, for California Packing Corporation; Allen K. Pentilla, for Sherwin Williams Company; T. H. Grinstead, for Port of San Francisco, interested parties.  
Edward E. Tanner and Grant L. Malquist, for the Commission's staff.

### O P I N I O N

On November 25, 1958, tolls were established on the Carquinez Bridges. By these petitions, California Trucking Associations, Inc., seeks amendment of Distance Table No. 4 by a supplement increasing all constructive mileages by seven and one-half constructive miles that involve routes of movement via the Carquinez Bridges. Petitions were filed in all of the cases involving minimum rate tariffs governed by Distance Table No. 4 and containing rates for the transportation of property which may be routed via the said bridges. The real issue is the matter of increasing the minimum rates to offset the newly established tolls. The means suggested by petitioner is the increasing of constructive mileages in Distance Table No. 4.

Public hearing was held on December 30, 1958, before Examiner J. E. Thompson at San Francisco. Evidence was offered by petitioner and by the Commission's staff. Protestants and interested parties cross-examined witnesses and offered statements of position and argument. The matters were taken under submission at the close of the hearing and are ready for decision.

The Carquinez Bridge was opened to traffic on May 21, 1927, by a toll bridge corporation. Passage over the bridge was made

subject to toll.<sup>1/</sup> In 1940 the bridge was purchased by the State of California and in 1945 the tolls were canceled. On November 25, 1958, a companion span across Carquinez Straits was completed and opened for traffic. Tolls for passage across both spans, which are called the Carquinez Bridges, were made effective that date by the California Toll Bridge Authority. The schedule of tolls provides tolls of 50 cents for a two-axle commercial truck and 50 cents for each additional axle for larger trucks. A common freight-carrying vehicle is a tractor-semitrailer unit having five axles; the toll on it is \$2.00. The tolls apply to the vehicles whether laden or empty.

Following the enactment of the Highway Carriers' Act in 1935, the Commission, pursuant to said Act, commenced establishing minimum rates for the transportation of property. By Decision No. 31605 in Case No. 4088 (N) dated December 27, 1933, the Commission established Distance Table No. 3. The constructive mileage across the Carquinez Bridge was 13 miles. On January 1, 1952, except in connection with Minimum Rate Tariff No. 6 (Petroleum), Distance Table No. 4 was made effective, cancelling Distance Table No. 3.<sup>2/</sup> The constructive mileage across the Carquinez Bridge was reduced to two miles.

In 1957 and 1958, approaches on both sides of the bridge were improved. U. S. Highway 40 was made a freeway from the Eastshore Highway at Richmond to its intersection with State Highway No. 48 north of Vallejo. According to a study of road conditions in 1957 and 1958 between the above points, made by an associate

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1/ A historical account of the Carquinez Bridge under ownership of the corporation appears in Com. Inv. American Toll Bridge, 41 CRC 111 (1938).

2/ Distance Table No. 4 was made applicable in connection with Minimum Rate Tariff No. 6 effective July 14, 1953.

engineer of the Commission's staff, the re-routing of U. S. Highway 40 has resulted in a reduction in distance from 24.7 miles to 22.05 miles, and the highway improvement, including the additional span across Carquinez Straits, has decreased the travel time for trucks from 48.7 minutes to 33 minutes. The engineer testified that, on the basis of costs developed in Exhibit No. 124-5 in Case No. 5432<sup>3/</sup> the saving in time, as a result of modernized U. S. Highway 40, had reduced costs of operation sufficiently to offset the recently imposed bridge toll.

Petitioner's director of research testified that he and his staff had given consideration to the problem of determining a method whereby minimum rates could be increased so as to offset the additional cost of tolls. He stated that, because of the large number of origin and destination points involving traverse over the toll facility, there was no practical method other than through increasing the constructive mileage over the span in Distance Table No. 4. In using a formula developed by the Commission's staff for the translation of bridge tolls into equivalent constructive mileage allowances, he determined that an increase of seven and one-half constructive miles would offset the tolls. In commenting upon the evidence presented by the Commission's engineer, he pointed out that the cost saving resulting from the highway improvement would be applicable only on traffic routed over that studied portion of U. S. Highway 40 and that the amount of cost saving reflected in the study would not be applicable to traffic moving by other routes; for example, from Concord to Vallejo or from Oleum to Cordelia.

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<sup>3/</sup> Petition for Modification No. 124 of the California Trucking Associations, Inc., sought a 6 percent increase on the rates in Minimum Rate Tariff No. 2. Exhibit No. 124-5 was a cost analysis presented by a transportation engineer of the Commission's staff. The proceeding culminated in Decision No. 57545 dated November 3, 1958.

An assistant transportation rate expert of the Commission's staff testified that a supplement to Distance Table No. 4, as petitioner proposes, providing that seven and one-half constructive miles via the Carquinez Bridges be added to all mileages computed, would result in the table's being rendered useless in that, because of the numerous routes between various points, it would be necessary for the user to compute constructive mileages directly from mileage maps contained in Section 4 of the Distance Table. Exhibit No. 3 contains illustrations of the results, if petitioner's proposal is adopted. It shows, among other things, that, while there would be no increase in rates on traffic between San Francisco and Dixon or Davis, the rates from San Francisco to Santa Rosa and Sebastopol would be increased. The reason for the former is that an additional seven and one-half miles will not be sufficient to result in exceeding the mileage bracket 80-90 miles in the case of Dixon and 90-100 miles in the case of Davis. The rates between San Francisco and Santa Rosa and Sebastopol are predicated on the average constructive mileage from San Francisco and Oakland. At present, the shortest constructive mileage from Oakland is via the Carquinez Bridges route.<sup>4/</sup> The proposed increase in mileage would result in the shorter constructive mileage route being via San Rafael. The additional constructive mileage via that route, however, is sufficient to raise the average mileage to the next higher rate bracket.

The peculiarities of routings in connection with the constructive mileages are more clearly reflected in connection with rates from San Jose. At present the Carquinez route to Petaluma and points north thereof is one and one-half constructive miles shorter than the Golden Gate Bridge route. Petitioner's proposal

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<sup>4/</sup> The constructive mileage across the Richmond-San Rafael Bridge is 30 miles and is based upon the tolls on the Richmond-San Rafael Ferry.

would result in increasing the constructive mileages to these points by one and one-half miles, which is sufficient to result in an increase in rates on shipments from San Jose to Healdsburg. From San Jose to Sacramento, Dixon, Woodland, Davis, and points north and east thereof, the constructive mileages would not be affected because of routings via Rio Vista and Livermore.

The proposal substantially affects the rates from all points south and east of San Francisco to points in the Sonoma, Lake, Mendocino, Humboldt, and Del Norte Counties. With respect to traffic originating at or destined to points in the Sacramento Valley, the proposal would affect rates only from San Francisco, San Mateo County, northern Santa Clara County, and points in Alameda and Contra Costa Counties along San Francisco Bay extending generally from San Leandro to Martinez.

#### Conclusions

We are convinced that highway common carriers operating between San Francisco and vicinity to the Sacramento area have incurred an additional cost per trip in the amount of the bridge tolls and, as a practical matter, the highway improvements have not reduced their operating expenses to any significant degree. The carriers operating on a schedule, for the most part, pay their drivers by the trip or by the day. A reduction in time of 14.3 minutes per trip in most instances will not result in savings of labor costs, and, because of the average lengths of haul on the scheduled trips, the use factor of equipment will not be increased in that 14.3 minutes or even a half hour is not sufficient time for an additional trip. The added cost resulting from the bridge tolls is substantial and it may be justification for increases in rates of carriers actually traversing the bridges; however, we are here concerned with minimum rates. The rates, in large part, are governed by the constructive mileages in the distance table, so that we must look at the structure of Distance

Table No. 4 and the minimum rates governed thereby as a whole. From the standpoint of the determination of reasonable and suitable constructive mileages for statewide minimum rate purposes, we find that, for that segment of U. S. Highway 40 extending from its junction with State Highway 48 to San Pablo Avenue, the Bridge tolls, translated into constructive mileage equivalents, in large measure have been offset by improved highway conditions. While this entire segment may not be involved in connection with all traffic moving across the bridges, it appears that the predominant portion moves along the entire segment. It is not possible to give proper effect to all possible routings via the bridges without making a determination of reasonable and suitable constructive mileages for portions of that segment, and possibly portions of other approaches. The instant record does not furnish the data necessary for that determination.

Except in rare cases, the constructive mileages of highways or portions of highways cannot be adjusted without disturbing the entire structure. As indicated above, because of the construction of Distance Table No. 4, petitioner's proposal would result in rate increases on traffic that is seldom, if ever, actually routed via the Carquinez Bridges, and, on the other hand, would not provide rate increases on traffic which is normally hauled on that route. It is apparent that the rates between the Redwood Empire area and points south and east of San Francisco would be substantially increased, yet very little of such traffic is routed via the Carquinez Bridges. As stated by the Commission in its Decision No. 56458 dated April 1, 1958, in Case No. 5432, Petition No. 103, "San Francisco is the 'gateway' of less-than-truckload traffic moving to and from the territory. All less-than-truckload traffic originating at or destined to points beyond San Francisco is interchanged at that point." By said decision, the Commission, on evidence relating to



the cost of operation to the Redwood Empire area and the revenue requirements of carriers serving that area, established a differential of ten percent in the rates for shipments of less than 10,000 pounds. There is no evidence in this record that further increases in rates to and from the Redwood Empire area are justified, yet this traffic is more greatly affected by petitioner's proposal than is traffic actually moving across the Carquinez Bridges.<sup>5/</sup>

An adjustment in constructive mileage to reflect changed highway conditions, or the establishment, cancellation or modification of bridge tolls, cannot be done equitably other than by an adjustment of the distance table as a whole. It is noted that, while tolls on the Carquinez Bridge were canceled in 1945, it was not reflected in the constructive mileage until 1952 when the entire distance table was revised. It is also noted that, while there have been many improvements on highways in California since 1952, including construction of the Richmond-San Rafael Bridge, such improvements have not been reflected by amendments to the distance table.

The Commission's staff is now assembling data necessary for the development of a distance table which will reflect current highway conditions. At the hearing, a representative of the staff stated that, with the assistance of electronic computers, a draft of a proposed distance table may be completed in 1959. The tolls on the Carquinez Bridges will be given consideration in the revised distance table.

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<sup>5/</sup> To illustrate, Callison Truck Lines, Inc., and Antoni Truck Lines are highway common carriers serving the Bay Area and points on U. S. Highway 101 north of Petaluma with principal routes via U. S. Highway 101. The proposal would result in substantial increases on almost all of their traffic. Delta Lines and the Interlines Motor Express are highway common carriers operating between the San Francisco Bay Territory and the Sacramento Valley with principal route via Carquinez Bridges. The proposal would affect only a part of the traffic originating at or destined to points in the Bay Area.

We fully understand the situation with which those carriers actually operating over the Carquinez Bridges are confronted; however, petitioner's proposal would more greatly affect traffic not moving over the bridges than it would the traffic with which they are concerned. Such a disturbance of the minimum rate structure, in order to offset the additional cost of transporting traffic to and from a relatively small area, is not warranted. Whether the problem of these carriers can be resolved by adjustments within the existing minimum rate structure is not readily apparent; at least, the present record does not suggest a reasonable solution.

Upon consideration of all the facts and circumstances of record, we are of the opinion and find that petitioner's proposal has not been shown to be justified. The petitions will be denied.

O R D E R

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

IT IS ORDERED that:

Petition for Modification No.	128	in Case No.	5432
Petition for Modification No.	7	in Case No.	5330
Petition for Modification No.	5	in Case No.	5433
Petition for Modification No.	23	in Case No.	5436
Petition for Modification No.	15	in Case No.	5438
Petition for Modification No.	4	in Case No.	5440
Petition for Modification No.	4	in Case No.	5603
Petition for Modification No.	2	in Case No.	5604

filed by the California Trucking Associations, Inc., be and each of them is hereby denied.

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

Dated at San Francisco, California, this 24th day of February, 1959.

E. Lynn Fox  
President

[Signature]

[Signature]

Theodore H. Hennen

Everett W. [Signature]  
Commissioners