

58728

ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
CALIFORNIA CARTAGE COMPANY, INC., a)
corporation, for authority to establish) Application No. 40695
a minimum charge rule applicable to)
special service.)

C. N. Bailey, for California Cartage Company, Inc.,
applicant.

O P I N I O N

Applicant is engaged in the business of transporting property as a highway common carrier within the area lying generally between Los Angeles, Santa Ana and San Bernardino and between said area and San Diego and vicinity. By this application it seeks such authority as is necessary to the establishment of rates, rules and regulations for a special service which it proposes to provide.

Public hearing on the application was held before Examiner C. S. Abernathy at San Diego on March 27, 1959.

According to the application and to other information of record, the circumstances which have resulted in the proposals under consideration herein are as follows:

A number of applicant's patrons are engaged in manufacturing or fabricating processes which require transportation of materials and supplies in expedited service or under conditions that applicant is not able to meet in the normal course of its highway common carrier operations. For several years requirements of these

patrons for special services of this kind have been met by a permitted carrier affiliate of applicant. Now, however, applicant proposes to integrate such services with its own operations and to publish rates, rules and regulations in its tariff to apply when said services are provided. Assertedly, the rates and charges which applicant proposes to establish are approximately the same as those which its permitted carrier affiliate has been assessing heretofore.

The main provisions of the basis of charges which applicant seeks to establish are as follows:

1. Special service would be provided only upon specific request therefor.
2. Special service means service wherein applicant would undertake to accomplish delivery of a shipment within a specified time, not in excess of 7 hours after completion of loading.
3. Charges for special service would be subject to minimums based on loads of 20,000 or 30,000 pounds, depending upon the size of vehicle used; also, charges would apply for loading, unloading or standby time in excess of $\frac{1}{2}$ hour.
4. Charges for special service would not apply when delivery is not tendered within 7 hours after completion of loading. In this event applicant's regular tariff provisions would apply.
5. Where greater charges for the services furnished would result under the tariff provisions for regular service than those which would apply for special service, the greater charges would be assessed.

Territorially, the foregoing provisions would be limited to special services furnished in connection with transportation other than that performed wholly within Los Angeles and Orange Counties. For special services within Los Angeles and Orange Counties, applicant assesses certain hourly rates which it maintains under authority of the Commission's minimum rate orders applicable to transportation within said counties.

Representatives of Convair Astronautics and of Ryan Aeronautical Company supported the granting of the application. They testified to the effect that their respective companies have need for the special services described; that they have used such services in the past, and that they would continue to do so under the basis outlined.

This application should be granted. It is evident the services which are involved differ in essential respects from those which applicant now provides. Clearly, the furnishing of transportation under circumstances which include special trips, expedited service, and/or prolonged delays at points of loading or unloading should be subject to appropriate charges both as a means of sustaining said transportation to meet the needs of shippers therefor and as a means of avoiding undue burdening of applicant's more general services with costs applicable to the special services.

No finding of the reasonableness of the proposed charges is here made. However, it appears that they are acceptable to shippers that would be subject thereto. In the circumstances it is concluded and found that the proposed charges and related rules have been shown to be justified for initial publication in applicant's tariff. In the authorization of the proposed rules slight modifications therein will be made for purposes of clarity and definiteness of application.

O R D E R

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

IT IS HEREBY ORDERED that California Cartage Company, Inc., be, and it hereby is, authorized to amend its tariff rates,

rules and regulations, as set forth in Local, Joint & Proportional Freight Tariff No. 18-B, Cal. P.U.C. No. 17, Western Motor Tariff Bureau, Inc., Agent, to establish rules and charges for "Special Service" as set forth and described in Appendix "A" attached hereto and by this reference made a part hereof.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

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

Dated at San Francisco, California,
this 7th day of July, 1959.

Ernest R. Davis
President
L. N. Smith
William H. Smith
E. J. Fox
Theodore J. Jenner
Commissioners

Appendix "A" to Decision No. 58728SPECIAL SERVICE

(Not applicable in connection with transportation performed wholly between points in Los Angeles and Orange Counties, nor in connection with transportation of split-pickup or split-delivery shipments.)

The provisions of this item apply only when special service is ordered by the shipper or consignee.

For the purposes of this item special service means service whereby the carrier undertakes to transport a shipment within a specified period of time, except that it does not include service wherein the elapsed time between the completion of loading of the shipment on carrier's equipment and the carrier's physical tender of the shipment for delivery exceeds 7 hours. Where special service is provided, the following rules and charges apply in addition to other applicable provisions of carrier's tariff:

1. The shipping document issued to cover the transportation performed shall show that special service was ordered and the name of the party ordering such service. The shipping document shall also show the time that loading of the shipment on carrier's equipment was completed and the time that the shipment was physically tendered for delivery. The notations as to time of completion of loading and time of tender shall be endorsed by the shipper and by the consignee, as the case may be.
2. Minimum Charge (Exception to minimum charges specified elsewhere in carrier's tariff) - Transportation performed in special service shall be subject to minimum charges as follows:

<u>Length of vehicle bed or total length of vehicle beds in which shipment loaded</u>	<u>Minimum Charge</u>
Not more than 22 feet	The charge for 20,000 pounds at the applicable rate for commodities rated Class A
More than 22 feet, but not more than 35 feet	The charge for 30,000 pounds at the applicable rate for commodities rated Class 5
More than 35 feet	The charge for 30,000 pounds at the applicable rate for commodities rated Class A

Appendix "A" continued

3. A charge at the rate of \$5.30 per hour shall apply for such time in excess of $\frac{1}{2}$ hour following arrival of carrier's equipment at point of origin or destination that said equipment is detained for loading, unloading and/or standby purposes. EXCEPTION: For the detention, as described, of carrier's equipment for time between the hours of 5 p.m. and 8 a.m. on days other than Saturdays, Sundays or holidays or for time on Saturdays, Sundays and holidays the charge shall be computed at the rate of \$6.80 per hour.
4. If the charges computed in accordance with other provisions of this tariff are higher than those resulting from the application of this item, such higher charges shall apply.

End of Appendix "A"