

Decision No. 59135**ORIGINAL**

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 uncrated new furniture (commodities)
 for which rates are provided in Minimum)
 Rate Tariff No. 11-A).

Case No. 5603
 Petition for
 Modification No. 5

Arlo D. Poe, J. Quintrall and J. C. Kaspar, for
 California Trucking Associations, Inc., petitioner.
Loyd B. Turner, for Blue Truck Lines, respondent.
R. C. Fels, for Furniture Manufacturers Association
 of California and Retail Furniture Association of
 California, Inc.; Omar Pullen, for Retail Furniture
 Association of California, Inc.; Robert Dempster and
A. L. Russell, for Sears, Roebuck and Company;
Donald R. Eates, for Vista Furniture Company,
 interested parties.
A. R. Day and Leonard Diamond, for the Commission's
 staff.

O P I N I O N

Minimum Rate Tariff No. 11-A names minimum rates, rules and regulations for the transportation of uncrated new furniture by highway carriers. By Petition No. 5, in this proceeding, the California Trucking Associations, Inc., requests increases in the minimum rates to compensate for increased costs experienced since the last adjustment of the minimum rates effective April 15, 1957.^{1/}

Public hearing was held on August 19, 1959, at Los Angeles, before Examiner William E. Turpen. Evidence was presented by petitioner through its assistant director of research. Representatives of several shippers and members of the Commission's staff assisted in developing the record.

^{1/} This rate adjustment was established by Decision No. 54624, dated March 5, 1957, in this proceeding.

The tariff names rates in three weight brackets: any quantity, minimum weight 500 pounds, and minimum weight 2,000 pounds. In addition to point-to-point rates applicable on shipments transported between the San Francisco Territory and the Los Angeles Territory, there are two sets of distance rates, one set applicable on shipments having point of origin in an area consisting of twelve counties located near San Francisco Bay, and the other set applicable on shipments having point of origin other than in those twelve counties.^{2/} Additional charges, in cents per 100 pounds, are provided when the point of origin is other than a depot.

With respect to the distance rates, petitioner proposes increases of 15 percent in all of the Column B rates, 10 percent in the Any Quantity Column A rates, 4 percent in the 500-pound bracket Column A rates for distances under 150 miles and 3 percent for distances over 150 miles, and graduated amounts in the 2,000-pound Column A rates ranging from 4 percent for short hauls to one percent for the longer hauls. The point-to-point rates are proposed to be increased the same as the Column A rates for comparable distances. As to the additional charges for shipments when point of origin is other than a depot, petitioner proposes increases of 10 percent in the Column A rates and 15 percent in the Column B rates. Petitioner also proposes increases of 10 percent in the minimum charges and in the charges for accessorial services. It is further proposed that the charges for collect-on-delivery shipments be increased to the same level as those named in Minimum Rate Tariff No. 2.

^{2/} These are designated in the tariff, and will be referred to herein-after as Column B and Column A rates respectively.

In support of these proposals, a witness for the California Trucking Associations, Inc., introduced into evidence exhibits showing the impact of increased labor costs, payroll taxes, and certain other increased costs experienced since the 1957 rate adjustment. These studies showed the percentage increases, for various weight brackets and distances, in the full costs that would be necessary to offset the various increased costs. The witness explained that the results arrived at in these studies were used as the basis for determining the rate increases proposed in the Column A rate scales, charges for accessorial services and minimum charges. He said that the increases proposed for the Column B rates were not primarily based on his study but were designed to bring those rates to the same level as recently authorized Safe Transportation Company, the principal carrier operating in the territory involved.^{3/} The witness pointed out that the Commission had previously found that the experience of Safe Transportation Company provided a reasonable test of the sufficiency of the minimum rates within the territory covered by the Column B rates.^{4/} No study was made of the collect-on-delivery charges, as the witness said that the Association feels such charges should be uniform in all the minimum rate tariffs.

One large shipper of furniture supported the proposed increased rates because he felt that under the present rate levels the carriers are not financially stable. Representatives of several other shippers and shipper associations stated that although they were not opposed to the granting of the proposed increases, they felt that new cost studies should be made instead of adjusting prior studies.

^{3/} Safe Transportation sought the same increases in Application No. 40374. They were granted by Decision No. 57750, dated December 16, 1958.

^{4/} Decision No. 52916, dated April 17, 1956, in Case No. 5603.

Upon careful consideration of the facts and circumstances of record, the Commission is of the opinion and finds that the increases in minimum rates for transportation of uncrated new furniture as proposed in this petition have been shown to be justified, and that the minimum rates, which are established in the order which follows, will be just, reasonable, and non-discriminatory minimum rates for the transportation of uncrated new furniture; and that the increases required to be made or authorized to be made by said order are justified.

O R D E R

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

IT IS ORDERED:

1. That Minimum Rate Tariff No. 11-A (Appendix A of Decision No. 50114 as amended) be and it is hereby further amended by incorporating therein, to become effective on November 13, 1959, the revised pages attached hereto and listed in Appendix A, also attached hereto, which pages and appendix by this reference are 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 not 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 November 13, 1959.

3. That common carriers, in establishing and maintaining the increased rates authorized hereinabove, be and they are authorized to depart from the provisions of Article XII, Section 21, of the Constitution, and Section 460 of the Public Utilities Code,

to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; that such outstanding authorizations be and they are hereby modified only to the extent necessary to comply with this order; and that schedules containing the rates published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

4. That in all other respects said Decision No. 50114, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 10th day of October, 1959.

E. P. Hill President
E. L. Fox
Theodore J. Irvine
Commissioners

Everett C. McKeage
Commissioner, Matthew J. Dooley being
necessarily absent, did not participate
in the disposition of this proceeding.

APPENDIX "A" TO DECISION NO. 59135

Revised Pages to Minimum Rate Tariff No. 11-A
by Said Decision

Third Revised Page 6

Third Revised Page 7

Second Revised Page 10

Third Revised Page 15

Second Revised Page 16

End of Appendix "A"

SECTION NO. 1 - RULES AND REGULATIONS (Continued)			Item No.																		
APPLICATION OF RATES																					
<p>Rates provided in this tariff are for the transportation of shipments from point of origin to point of destination, and include loading into and unloading from carrier's unit of equipment, subject to Note 1.</p> <p>Note 1. When the point of origin is other than a depot, an additional rate as provided below shall be added to the rates set forth in Section 3.</p> <p style="text-align: center;">◊ Rates in Cents Per 100 Pounds</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">Minimum Weight</th> <th style="text-align: center;">Column A(1)</th> <th style="text-align: center;">Column B(2)</th> </tr> </thead> <tbody> <tr> <td>Any Quantity</td> <td style="text-align: center;">81</td> <td style="text-align: center;">89</td> </tr> <tr> <td>500 Pounds</td> <td style="text-align: center;">70</td> <td style="text-align: center;">79</td> </tr> <tr> <td>2,000 Pounds</td> <td style="text-align: center;">67</td> <td style="text-align: center;">76</td> </tr> <tr> <td>4,000 Pounds</td> <td style="text-align: center;">50</td> <td style="text-align: center;">51</td> </tr> <tr> <td>6,000 Pounds</td> <td style="text-align: center;">(3)</td> <td style="text-align: center;">(3)</td> </tr> </tbody> </table> <p>(1) Column A rates apply to shipments not subject to Column B rates.</p> <p>(2) Column B rates apply only to shipments having point of origin in one of the following counties: San Francisco, San Mateo, Santa Cruz, Santa Clara, San Benito, Monterey, Alameda, Contra Costa, Marin, Sonoma, Solano and Napa.</p> <p>(3) No additional rate.</p> <p>Note 2. The rates provided in Note 1 shall be added to the rates set forth in Section 3 in connection with shipments transported for persons, companies or corporations upon whose premises, depots from which the transportation is performed are located.</p>			Minimum Weight	Column A(1)	Column B(2)	Any Quantity	81	89	500 Pounds	70	79	2,000 Pounds	67	76	4,000 Pounds	50	51	6,000 Pounds	(3)	(3)	<p>* 60-C Cancel 60-E</p>
Minimum Weight	Column A(1)	Column B(2)																			
Any Quantity	81	89																			
500 Pounds	70	79																			
2,000 Pounds	67	76																			
4,000 Pounds	50	51																			
6,000 Pounds	(3)	(3)																			
ACCESSORIAL SERVICES																					
<p>When carrier performs any accessorial or incidental service which is not authorized to be performed under rates named in this tariff, and for which a charge is not otherwise provided, additional charges shall be assessed as provided in Item No. 90. The charge therein provided for unit of equipment shall apply whenever the accessorial or incidental service requires its use, or whenever the unit of equipment is inactivated by reason of its driver or helper being engaged in such service.</p>			70																		
DELAYS TO EQUIPMENT																					
<p>When consignor or consignee is responsible for delay to carrier's equipment at or in vicinity of either point of loading or point of unloading in excess of 30 minutes (exclusive of time actually involved in loading or unloading) additional charges for delay time in excess of 30 minutes shall be assessed as provided in Item No. 90.</p>			80																		

CHARGES FOR ACCESSORIAL SERVICES OR DELAYS

For accessorial services or delays under the conditions specified in Items Nos. 70 and 80, charges shall be assessed for each period or fraction thereof, as follows:

	<u>Charges in Cents</u>		*90-B Can- cels 90 A
	<u>For First 30 Minutes</u>	<u>For each Additional 15 Minutes</u>	
(a) For driver, helper or other employee, per man	152	76	
(b) For unit of equipment	50	25	

* Change ◇ Increase)	Decision No.	59135
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EFFECTIVE NOVEMBER 13, 1959

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San Francisco, California.

Correction No. 12

Third Revised Page ...7

Cancel.

Second Revised Page ... 7.

MINIMUM RATE TARIFF NO. 11-A

SECTION NO. 1 - RULES AND REGULATIONS (Continued)	Item No.
<p style="text-align: center;">MINIMUM CHARGE</p> <p>(a) When the constructive distance from point of origin to point of destination does not exceed 150 miles the minimum charge per shipment shall be \$2.22</p> <p>(b) When the constructive distance from point of origin to point of destination exceeds 150 miles the minimum charge per shipment shall be \$2.86</p>	100-B Cancels 100-A
<p style="text-align: center;">SHIPMENTS TRANSPORTED BY TWO OR MORE CARRIERS</p> <p>When shipments in continuous through movement are transported by two or more carriers, the rates (including minimum charges) provided herein from point of origin to point of destination shall be the minimum rates for the combined transportation.</p>	110
<p style="text-align: center;">SHIPMENTS TO BE RATED SEPARATELY</p> <p>Each shipment shall be rated separately. Shipments shall not be consolidated or combined by the carrier.</p>	120
<p style="text-align: center;">ALTERNATIVE APPLICATION OF COMMON CARRIER RATES</p> <p>Common carrier rates may be applied in lieu of the rates provided in this tariff, when such common carrier rates produce a lower aggregate charge for the same transportation and for the same accessorial services, than results from the application of the rates herein provided. (See Note)</p> <p>NOTE.-In applying the provisions of this item, a rate no lower than the common carrier rate and a weight no lower than the actual weight or published minimum weight (whichever is the higher) applicable in connection with the common carrier rate shall be used.</p>	130-A Cancels 130

ACCESSORIAL CHARGES NOT TO BE OFFSET BY
TRANSPORTATION CHARGES

Accessorial charges set forth in this tariff for accessorial services not included in the rate for actual transportation shall be assessed and collected when such services are performed, regardless of the level of the transportation rate assessed. Such accessorial charges may not be waived on the basis that a higher-than-minimum transportation rate serves as an offset.

135

* Change }
◊ Increase } Decision No. 59135

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Correction No. 13

SECTION NO. 1 RULES AND REGULATIONS (Continued)						Item No.
COLLECT ON DELIVERY SHIPMENTS						
<p>(a) No carrier shall handle any C.O.D. shipment unless and until it has on file with the Commission a good and sufficient bond in such form as the Commission may deem proper, in a sum of not less than Two Thousand Dollars.</p>						
<p>(b) The bond required by paragraph (a) hereof, shall be filed by the carrier as principal and by some solvent surety company, authorized to do business in the State of California, as surety, payable to the State of California, and/or any person or persons to whom any amount may be due on any C.O.D. shipment transported by said carrier and not remitted to the person or persons to whom it is due within ten days after delivery of any such shipment; however, when the carrier has filed with any municipality or board thereof, pursuant to ordinance, a bond in a sum not less than Two Thousand Dollars payable to said board or municipality and/or any person or persons to whom any amount may be due on any C.O.D. shipment transported by said carrier and not remitted to the person or persons to whom it is due within ten days after delivery of any such shipment, the filing by such carrier of a certified copy of said bond with this Commission shall be deemed compliance herewith. Each bond filed pursuant to the foregoing shall specify the extent to which the carrier's operations are covered thereby and may cover more than one operative authority held by the same carrier. When a carrier with such a bond or bonds on file with the Commission obtains additional operative authority, said bond or bonds shall be revised or reissued to show whether or not the additional operative authority is covered thereby. No C.O.D. bond shall be cancelled on less than thirty days' notice to the Commission.</p>						
<p>(c) In the handling of C.O.D. shipments carrier shall, promptly upon collection of any and all C.O.D. moneys, and in no event later than ten days after delivery to consignee, unless consignor instructs otherwise in writing, remit to consignor all C.O.D. moneys collected by it on such shipments.</p>						
<p>(d) The charges for collecting and remitting the amount of C.O.D. bills collected on C.O.D. shipments shall be as follows:</p>						
		◇ Charge for collecting and remitting will be			◇ Charge for collecting and remitting will be	
When the amount collected is			When the amount collected is			
<u>Over</u>	<u>Not Over</u>		<u>Over</u>	<u>Not Over</u>		
\$	\$	\$	\$	\$		
2.50	2.50	.40	200.00	250.00	\$2.05	
5.00	5.00	.46	250.00	300.00	2.35	
10.00	10.00	.60	300.00	350.00	2.66	
20.00	20.00	.63	350.00	400.00	2.94	
25.00	25.00	.66	400.00	450.00	3.27	
40.00	40.00	.77	450.00	500.00	3.58	
50.00	50.00	.82	500.00	550.00	3.88	
60.00	60.00	1.04	550.00	600.00	4.17	
80.00	80.00	1.07	600.00	650.00	4.49	
100.00	100.00	1.10	650.00	700.00	4.80	
102.50	102.50	1.39	700.00	750.00	5.11	
105.00	105.00	1.44	750.00	800.00	5.39	
110.00	110.00	1.48	800.00	850.00	5.71	
120.00	120.00	1.53	850.00	900.00	6.01	
140.00	140.00	1.58	900.00	950.00	6.33	
150.00	150.00	1.63	950.00	1,000.00	6.62	
160.00	160.00	1.74	1,000.00			
180.00	180.00	1.78				
200.00	200.00	1.81				
			at rate of \$6.62 per \$1,000			

*210-B
Cancels
210-A

* Change
◇ Increase

) Decision No.

59135

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Correction No. 14

SECTION NO. 3 - RATES								Item No.
DISTANCE RATES IN CENTS PER 100 POUNDS (1)								
M I L E S But Not Over Over	Any Quantity		Minimum Weight 500 Pounds		Minimum Weight 2,000 Pounds			
	Column A(2)	Column B(3)	Column A(2)	Column B(3)	Column A(2)	Column B(3)		
0	5	128	127	102	108	96	101	
5	10	131	133	105	111	100	108	
10	15	134	139	110	121	103	111	
15	20	141	145	114	125	108	120	
20	25	144	151	118	132	112	125	
25	30	147	158	121	138	116	132	
30	35	151	163	125	145	119	138	
35	40	154	170	128	151	123	145	
40	45	160	175	133	156	127	150	
45	50	163	182	137	162	130	156	
50	60	171	190	142	171	137	164	
60	70	177	202	150	184	144	177	
70	80	186	215	159	197	152	190	
80	90	195	227	165	208	160	201	
90	100	201	239	173	221	166	211	
100	110	210	251	181	232	174	225	
110	120	218	263	188	245	181	238	
120	130	227	275	197	256	189	250	
130	140	234	288	203	269	197	262	
140	150	243	300	211	282	204	275	400-C
150	160	251	309	217	290	211	284	Cancel
160	170	259	316	226	297	218	290	400-B
170	180	267	322	233	302	227	297	
180	190	275	327	239	308	234	301	
190	200	283	334	246	314	241	308	
200	220	295	343	259	323	253	317	
220	240	308	354	272	335	265	329	
240	260	323	366	284	346	280	339	
260	280	338	378	299	359	294	352	
280	300	353	389	314	370	306	363	
300	325	371	404	330	384	323	378	
325	350	389	417	347	398	338	392	
350	375	407	432	364	413	353	407	
375	400	424	446	380	428	368	421	
400	425	441	461	396	442	383	436	
425	450	461	482	414	462	401	457	
450	475	481	503	433	483	419	477	
475	500	501	523	451	504	437	498	
500	525	518	542	470	524	453	516	
525	550	538	562	487	544	472	537	
550	575	559	584	506	565	491	559	
575	600	579	605	524	585	509	580	
600	625	598	626	543	606	527	600	
625	650	617	645	562	627	544	620	
650	-	(4)	(4)	(4)	(4)	(4)	(4)	

- (1) Rates in this item apply only when point of origin is a depot. When point of origin is other than a depot, add to the rates provided in this item the additional rates, if any, provided in Item No. 60.
- (2) Column A rates apply to shipments not subject to Column B rates.
- (3) Column B rates apply only to shipments having point of origin in one of the following counties: San Francisco, San Mateo, Santa Cruz, Santa Clara, San Benito, Monterey, Alameda, Contra Costa, Marin, Sonoma, Solano, and Napa.
- (4) Add to the rate for 650 miles 29 cents per 100 pounds for each 25 miles or fraction thereof.

◇ Increase, Decision No. **59135**

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San Francisco, California.

Correction No. 15

SECTION NO. 3 - RATES (Continued)					Item No.
POINT-TO-POINT RATES IN CENTS PER 100 POUNDS (1)(2)					
<u>Between</u>	<u>And</u>	<u>Any Quantity</u>	<u>Minimum Weight 500 Pounds</u>	<u>Minimum Weight 2000 Pounds</u>	
Los Angeles Territory	San Francisco Territory	437	392	379	
<p>(1) If charges accruing under rates in this item, applied on shipments from, to or between points intermediate between the Los Angeles and San Francisco Territories via routes shown in Item No. 500 are lower than charges accruing under the Distance Rates in Item No. 400, on the same shipment, such lower charges will apply. Rates in this item applied to intermediate points under these provisions apply at all points located within a distance of one actual highway mile on either side of the authorized route and at all points located within incorporated cities through which the highway route passes.</p> <p>(2) Rates in this item apply only when point of origin is a depot. When point of origin is other than a depot, add to the rates provided in this item the additional rates, if any, provided in Item No. 60.</p>					<p>◊ 410-B Cancels 410-A</p>
◊ Increase, Decision No. 59135					

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Correction No. 16