

**ORIGINAL**

Decision No. 60743

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 household goods carriers, )  
 common carriers, highway carriers, )  
 and city carriers relating to the )  
 transportation of used household )  
 goods and related property. )

Case No. 5330  
 (Petition for Modification No. 12)

And related matters.

Case No. 5432  
 (Petition for Modification No. 182)  
 Case No. 5433  
 (Petition for Modification No. 10)  
 Case No. 5436  
 (Petition for Modification No. 31)  
 Case No. 5438  
 (Petition for Modification No. 20)  
 Case No. 5440  
 (Petition for Modification No. 8)  
 Case No. 5603  
 (Petition for Modification No. 8)  
 Case No. 5604  
 (Petition for Modification No. 5)

A. D. Poe, J. C. Kaspar, and J. X. Quintrall,  
 for California Trucking Associations, Inc.,  
 petitioner.  
Ralph Hubbard, for California Farm Bureau  
 Federation, interested party.  
Grant L. Malquist, for the Commission staff.

O P I N I O N

By petitions filed April 6, 1960, California Trucking Associations, Inc., requests the Commission to amend Distance Table No. 4 to make Pickel Meadows a named point in the distance table and to establish appropriate constructive mileages to such point.

Public hearing was held June 13, 1960, before Examiner Jack E. Thompson at San Francisco.

Pickel Meadows is the site of the U. S. Marine Corps Cold Weather Training Center. It is located in Mono County on State Highway 108 (Sonora Pass Highway) approximately 3½ miles west of the intersection of State Highway 108 with U. S. Highway 395 at

Sonora Junction. That section of State Highway 108 extending from Pinecrest to Sonora Junction is not a part of the system of highways shown in the distance table. It is not shown because Sonora Pass is not used by trucks and is closed to all traffic for six months each year because of snow.

Under the rules governing the application of the distance table, when an unnamed point is not on the system of highways, the constructive mileage to that point is determined by ascertaining the constructive mileage to the last-named point along the route of travel and adding the actual mileage from said named point to the unnamed point. By use of this rule, the constructive mileage for minimum rate purposes from San Francisco to Pickel Meadows is 257½ miles. The distance table specifically provides a constructive mileage from San Francisco to Sonora Junction of 706½ miles. This is a routing via Bakersfield and Lone Pine. There is a constructive mileage difference from San Francisco of 449 miles to points only 3½ miles apart. Petitioner points out that from any point other than on State Highway 108 east of Sonora Pass, a carrier must pass through Sonora Junction in going to or from Pickel Meadows. There is a wide difference in rates for distances of 706½ miles as compared to distances of 257½ miles;<sup>1</sup> such a difference, in fact, as to be unreasonable per se when applied to points only 3½ miles apart.

The Commission's staff has been in the process of developing data for revising the constructive mileages between points in California. The matter of determining suitable constructive mileages from points on the western side of the Sierra to points on the eastern side is one being considered by the staff. The staff stated that the field work of assembling data for constructive mileages has been completed and that within a year the data will be presented to the

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<sup>1</sup> For example, the fifth class rate for distances of 706½ miles is \$1.13 per 100 pounds and for 257½ miles is 56 cents per 100 pounds.

Commission at public hearings. It was stated that there appears to be no urgency requiring action before then because very little traffic moves from points in California, other than Southern California, to Pickel Meadows which is subject to the minimum rates. Transportation of property of the United States whereby the government has contracted for the carrier's services is not subject to the minimum rates. The only facility at Pickel Meadows is the U. S. Marine Cold Weather Training Center which has a permanent party of less than 500 men. During the winter the Marine Corps conducts training exercises for around 1,000 men. The staff suggests that the determination of reasonable constructive miles to Pickel Meadows be deferred and be considered along with similar problems in connection with the establishment of Distance Table No. 4.

Petitioner replied that it is the duty of the Commission to establish reasonable minimum rates and where unreasonable situations are directed to its attention the Commission must take remedial action. It contends that inasmuch as the Commission has prescribed 706½ constructive miles from San Francisco to Sonora Junction as reasonable, and that Pickel Meadows is 3½ miles beyond Sonora Junction by any available route which can be used by highway carriers, the reasonable constructive mileage to Pickel Meadows from San Francisco is 710 miles. Inasmuch as the same circumstance exists with respect to transportation from other points in Northern and Central California to Pickel Meadows, petitioner suggests that the Commission remedy the situation by supplementing Map 3 of Distance Table No. 4 by showing Pickel Meadows as a named point 4 miles from Sonora Junction.

We find that there is an unreasonable difference in the minimum rates established for transportation to or from Pickel Meadows as compared to Sonora Junction. We cannot find as suggested by petitioner that rates based upon the present constructive mileage

to Sonora Junction plus 3 miles are just and reasonable minimum rates. While, as petitioner alleges, the Commission heretofore, through the establishment of constructive mileages, and the minimum rates in the various minimum rate tariffs here involved, indirectly has found the rates to and from Sonora Junction to be reasonable, the same analogy also holds with respect to Pickel Meadows, the only difference being that Distance Table No. 4 sets forth on certain maps the constructive mileages from Sonora Junction to various points, whereas the constructive mileage to Pickel Meadows is not so delineated but is prescribed by rule.

The evidence in this proceeding shows that traffic originating at or destined to points on the eastern side of the Sierra in Inyo and Mono counties moves along U. S. Highway 395, either from or to the south where the highway intersects U. S. Highway 99 at Mojave or from or to the north where the highway is in Nevada. Shipments from San Francisco ordinarily move into this area from the north via Reno, Nevada. While the Commission may not prescribe rates on traffic moving into or out of Nevada, that movement must be considered in the establishment of minimum reasonable rates for the movement of traffic between the points over a wholly intrastate route. To do otherwise would be to discriminate against California business in favor of Nevada suppliers. While the rates to Sonora Junction were not placed in issue by the petition, petitioner has raised the point of the reasonableness of the minimum rates to Sonora Junction and other named points in Mono County by comparing the same with those established for Pickel Meadows.

A supervising transportation engineer of the Commission's staff, in stating reasons why action on this matter should be deferred, said that in the development of proposed constructive mileages for a new distance table the staff had found routes wholly within California which would provide less constructive miles from Northern and Central California points to Sonora Junction.

According to the record, the actual mileage from San Francisco to Pickel Meadows via U. S. Highway 40 to Reno and U. S. Highway 395 to Sonora Junction is 308 miles. From San Francisco to Calvada, the point on U. S. Highway 40 at the California-Nevada border, is 270 constructive miles; from Calvada to the point on the border on U. S. Highway 395 north of Coleville is approximately 80 actual miles and from that point to Sonora Junction is 30 constructive miles.

The rates of carriers transporting property between the points involved herein, or points similarly situated, via interstate routes are not of record herein. Without making reference to particular rates in any of the minimum rate tariffs involved herein, and as a general proposition, we find that distance rates from San Francisco to Pickel Meadows based upon  $257\frac{1}{2}$  constructive miles are unreasonably low, at least to the extent that such rates are lower than minimum distance rates established from San Francisco to points 400 constructive miles distant; that while it has not been shown that rates from San Francisco to Pickel Meadows based on 710 constructive miles are unreasonable, we find, as a general proposition, that such rates would exceed just, reasonable and non-discriminatory minimum rates. We further find that the record herein does not provide data from which just, reasonable and non-discriminatory minimum rates between Pickel Meadows and points in Northern or Central California can be determined.

In view of such findings, we would ordinarily direct the staff to proceed without delay to assemble such data as would enable the Commission to determine just and reasonable minimum rates to Pickel Meadows. The staff, however, has already assembled such data which is now being analyzed and processed for presentation before the Commission so that such instructions are unnecessary.

We must now consider whether some interim adjustment should and can be made. First of all, there is not a large volume of traffic subject to the minimum rates moving to or from Pickel Meadows and there does not appear to be intense competition for such traffic. Common carriers may publish and contract carriers may assess rates greater than the minimum rates. As stated above, the rates to Sonora Junction are not unreasonably high and said point is intermediate to Pickel Meadows via any of the practical routes from points in California. Therefore, common carriers who presently maintain rates to Pickel Meadows lower in volume or effect than those to Sonora Junction will be authorized to effect whatever increases may be necessary to maintain rates to Pickel Meadows no lower than those applicable to Sonora Junction.

In the circumstances, we find that pending further proceedings involving the establishment of just, reasonable, and non-discriminatory minimum rates to and from Pickel Meadows, including the establishment of revised constructive mileages to be used in the application of said minimum rates, which proceedings are imminent, action other than authorizing common carriers to increase their rates to the extent mentioned above is neither desirable nor necessary at this time. 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:

1. That common carriers are authorized to publish and file not earlier than the effective date of this order, to become effective on not less than five days' notice to the Commission and to the public, increased rates and charges for the transportation

of property between points in California and Pickel Meadows to the same level as rates and charges maintained by said carriers for the transportation of property between said points in California and Sonora Junction.

2. That the authority granted herein shall expire unless exercised within ninety days after the effective date of this order.

3. That, in all other respects, the petitions filed by the California Trucking Associations, Inc., in these proceedings are denied.

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

Dated at San Francisco, California, this 13<sup>th</sup> day of SEPTEMBER, 1960.

*[Handwritten signature]*  
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President  
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Commissioners

Matthew J. Dooley  
Commissioner ~~Theodore H. Jenner~~, being necessarily absent, did not participate in the disposition of this proceeding.