

Decision No. 61665

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 livestock and }
 related items (commodities for which }
 rates are provided in Minimum Rate }
 Tariff No. 3-A).

Case No. 5433
 (Petition for Modification No.9)

J. C. Kaspar, A. D. Poe and J. X. Quintrall,
 for California Trucking Associations, Inc.,
 petitioner.
Alvin Chanley, for Chanley Bros. Trucking Co.;
Albert Yroz, for Sanzberro Livestock
 Transportation, respondents.
Ralph Hubbard, for California Farm Bureau
 Federation; W. P. Wing, for California
 Wool Growers Association, interested
 parties.
Grant L. Malquist and Marcel J. Gagnon, for
 the Commission staff.

O P I N I O N

Minimum Rate Tariff No. 3-A names rates and rules for the transportation of livestock by highway carriers generally throughout the State. By this petition, filed February 19, 1960, the California Trucking Associations, Inc., requested that the Commission direct its staff to conduct studies to determine what adjustments should be made in the livestock minimum rates. The staff then conducted such studies of the transportation of cattle, and when the studies were completed, the petition was set down for hearing. At the hearing, it developed that as a result of a misunderstanding the staff had construed the request for rate adjustments to apply only to the rates for the transportation of cattle. Petitioner and a representative of the

California Farm Bureau Federation urged that studies be made relating to the transportation of sheep.

Decision No. 60738, dated September 13, 1960, adjusted the minimum rates for the transportation of cattle and directed that Petition No. 9 be kept open and that the staff make studies relating to the transportation of sheep. Upon completion of these studies, a further public hearing was held before Examiner William E. Turpen at San Francisco on January 27, 1961. Evidence was presented by a transportation engineer and by a rate expert of the Commission's staff. Representatives of five livestock carriers also testified. The petition was submitted February 6, 1961, upon receipt of a late-filed exhibit from petitioner.

The studies presented by the Commission staff witnesses were prepared in the same manner as those previously presented involving the transportation of cattle. Information was obtained from various carriers and shippers and field surveys were made. Costs were developed for various mileage distances and for different weight groups. The rate expert said that his studies showed that, due to technological improvements in vehicular equipment, there has been a tendency to increase the weight of the loads that are being transported. Based on the results of these studies he recommended that the present 25,000-pound scale and the 30,000-pound scale be changed to 27,000 pounds and 33,000 pounds, respectively. In connection with this revision, and based on the costs developed by the engineer, the rate expert recommended slight adjustments in the

present rates. Examples of the present and proposed rates are shown below:

Rates in Cents Per 100 Pounds
(Subject to Minimum Weight as Shown)

<u>Distance (Constructive Miles)</u>	<u>Present 25,000 Pounds</u>	<u>Proposed 27,000 Pounds</u>	<u>Present 30,000 Pounds</u>	<u>Proposed 33,000 Pounds</u>
10	13	12	13	11
50	21	21	21	19
100	33	33	31	29
150	45	44	42	39
200	58	56	54	49
300	78	79	73	69
500	118	123	110	106

Petitioner's director of research said he felt that the costs presented by the engineer were understated. He pointed out that some of the performance factors used were taken from a study made in 1956, and he said that when average performance factors based on both cattle and sheep hauling are used, the costs for sheep hauling become understated. The director received permission to file and did file a late-filed exhibit showing that due to a change in the cost of living index the wages of livestock truck drivers are increased by two cents per hour, effective February 1, 1961. However, an analysis of the cost study shows that this increase in wages would not materially affect the final costs per 100 pounds. The director suggested that the present 25,000-pound and 30,000-pound scales of rates be retained and just increase the minimum weights to 27,000 and 33,000 pounds, respectively. He especially urged that this be done for the rates up to 50 miles.

Representatives of five livestock carriers testified that although they approved of the proposed increased minimum weights, they felt the proposed rates were too low. They also stated that it costs more to haul sheep than cattle. Several of these witnesses

said that the staff costs for short hauls provide for doubling back to transport several successive loads in one truck, but that in actual practice this can rarely be done.

Representatives of the California Farm Bureau Federation and of the California Wool Growers Association supported the rate adjustments as proposed by the staff. They opposed any rates higher than the staff proposal.

As stated in Decision No. 60738, Petition No. 9 was filed asking for an impartial study to be made by the Commission's staff. As so requested, such studies have been made. Although representations were made that the costs as developed by the staff are low, the record does not show in what respects, if at all, the costs may be lower than they should be. A comparison of the cost studies for cattle and for sheep, both introduced in this proceeding, show the costs developed for sheep hauling to be considerably higher than those developed for cattle hauling. As an exception to the above, however, it does appear that the "doubling back" as used for short hauls by the engineer may produce costs somewhat understated for the shorter hauls. The rate revisions suggested by the staff will be adopted, except that petitioner's request of retaining the present rates for distances up to 50 miles will be adopted.¹

One related tariff adjustment requires discussion. Item No. 150 provides that on mixed shipments of ewes and their lambs when provided weights are used the total weight will not exceed 25,000 pounds. The rate witness proposed changing this to 27,000 pounds to correspond with the change in minimum weight. Petitioner's research director said this provision was established when 25,000 pounds was the highest minimum weight specified in the tariff and no consideration was given to changing it when the 30,000-pound scale of rates was established. He therefore stated that it should

¹ To provide a smoother progression of rates, the present scales up to and including 60 miles will be used.

be increased to 33,000 pounds. It is obvious that the 25,000-pound maximum would have no effect and should be increased to 27,000 pounds, but the record contains no evidence that would justify increasing it to 33,000 pounds.

Upon consideration of all of the facts and circumstances of record, we are of the opinion and find that the minimum rate revisions proposed by the staff, modified as set forth above, are justified, and that the minimum rates as so revised are and will be just, reasonable and nondiscriminatory minimum rates for the transportation to which they apply.

O R D E R

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

IT IS ORDERED:

1. That Minimum Rate Tariff No. 3-A (Appendix A of Decision No. 55587, as amended) be and it is hereby further amended by incorporating therein, to become effective April 29, 1961, First Revised Page 8, Fourth Revised Page 19 and First Revised Page 19-A, which revised pages are 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 filed not earlier than the effective date hereof, to become effective 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 April 29, 1961; and that tariff publications which are authorized but not required to be made by common carriers as a result of the order herein may be filed not earlier than the effective date of this order, and may be made effective on not less than five days' notice to the Commission and to the public if filed not later than

sixty days after the effective date of the minimum rate tariff pages incorporated in this order.

3. That in the exercise of the authority hereinabove granted, common carriers are authorized to depart from the provisions of Section 460 of the Public Utilities Code and of Article XII, Section 21 of the Constitution of the State of California, to the extent necessary to publish the rates established herein.

4. That in all other respects said Decision No. 55587, 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 14th day of MARCH, 1961.

[Signature] President
[Signature]
[Signature]
[Signature] Commissioners

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

SECTION NO. 1 - RULES AND REGULATIONS (Continued)	Item No.																																
<p style="text-align: center;">DETERMINATION OF WEIGHTS AND CHARGES</p> <p>1. When the carrier obtains a public weighmaster's certificate, charges shall be based upon the weight of the livestock as confirmed by said certificate. The original and duplicate copy of the public weighmaster's certificate shall be attached to the debtor's and carrier's copy of the freight bill (see Item No. 130), respectively, and the carrier shall retain its copy of said certificate for a period of not less than three years from the date of issuance.</p> <p>2. When the carrier does not obtain a public weighmaster's certificate, charges shall be based upon the weights per animal specified in Item No. 150.</p>	140																																
<p style="text-align: center;">PROVIDED WEIGHTS PER ANIMAL</p> <p>When carrier does not obtain a public weighmaster's certificate, the weights per animal specified herein shall be used as a basis for determining charges.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Type of Animal</u></th> <th style="text-align: right; border-bottom: 1px solid black;"><u>Pounds Per Head</u></th> </tr> </thead> <tbody> <tr> <td colspan="2">Cattle:</td> </tr> <tr> <td>Bulls -----</td> <td style="text-align: right;">1200</td> </tr> <tr> <td>(1)Feeder Cattle (Except Cows)-----</td> <td style="text-align: right;">650</td> </tr> <tr> <td>Other Cattle -----</td> <td style="text-align: right;">900</td> </tr> <tr> <td>Calves -----</td> <td style="text-align: right;">300</td> </tr> <tr> <td colspan="2">Hogs or Swine:</td> </tr> <tr> <td>Sows or Boars -----</td> <td style="text-align: right;">350</td> </tr> <tr> <td>Stags -----</td> <td style="text-align: right;">450</td> </tr> <tr> <td>Butcher Pigs -----</td> <td style="text-align: right;">220</td> </tr> <tr> <td>Feeder Pigs -----</td> <td style="text-align: right;">80</td> </tr> <tr> <td>Other Hogs or Swine -----</td> <td style="text-align: right;">200</td> </tr> <tr> <td colspan="2">Sheep and Goats:</td> </tr> <tr> <td>(2)Lambs or Kids -----</td> <td style="text-align: right;">85</td> </tr> <tr> <td>(2)Ewes, Wethers or Rams (Bucks) -----</td> <td style="text-align: right;">120</td> </tr> <tr> <td>Goats -----</td> <td style="text-align: right;">120</td> </tr> </tbody> </table> <p>(1) Applies only on movements to pasture.</p> <p>(2) The provided weights per trip per single equipment unit or two units of equipment in combination will not exceed *27,000 pounds in connection with mixed shipments of Ewes and their Lambs.</p>	<u>Type of Animal</u>	<u>Pounds Per Head</u>	Cattle:		Bulls -----	1200	(1)Feeder Cattle (Except Cows)-----	650	Other Cattle -----	900	Calves -----	300	Hogs or Swine:		Sows or Boars -----	350	Stags -----	450	Butcher Pigs -----	220	Feeder Pigs -----	80	Other Hogs or Swine -----	200	Sheep and Goats:		(2)Lambs or Kids -----	85	(2)Ewes, Wethers or Rams (Bucks) -----	120	Goats -----	120	* 150
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RATES BASED ON VARYING MINIMUM RATES WEIGHTS

When charges accruing on a shipment based upon actual weight (or provided weight, whichever is applicable) exceed the charges computed upon a rate based upon a greater minimum weight, the latter shall apply. For the purpose of applying this item to a mixed shipment of livestock, deficiency between actual weight (or provided weight, whichever is applicable) of the shipment and the greater minimum weight shall be computed at the rate applicable to the lowest rated livestock in the shipment.

160

*Change, Decision No. 61665

EFFECTIVE APRIL 29, 1961

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.
Correction No. 19

Cancel.

SECTION NO. 2 - DISTANCE COMMODITY RATES (Continued) (In Cents per 100 Pounds)						Item No.	
SHEEP, viz.: Ewes, Goats, Kids, Lambs, Rams (Bucks), Sheep, Sheep Camp Outfits, and Wethers.							
(For Application of Rates See Items Nos. 30 and 40)							
Miles Over	But Not Over	Minimum Weight in Pounds					
		Any Quantity	10,000	18,000	27,000 (See Note 1, Item No. 285)	33,000 (See Note 2, Item No. 285)	
0	3	19	14	13	11	11	
3	5	20	15	14	12	12	
5	10	22	17	16	13	13	
10	15	24	19	17	14	14	
15	20	27	21	19	15	15	
20	25	30	23	20	16	16	
25	30	33	25	22	17	17	
30	35	36	27	23	18	18	
35	40	39	29	24	19	19	
40	45	42	31	25	20	20	
45	50	45	34	26	21	21	
50	60	48	37	28	23	22	
60	70	51	40	30	26	23	
70	80	54	43	33	28	25	
80	90	57	47	36	30	27	*280
90	100	60	51	39	33	29	
100	110	62	55	42	35	31	
110	120	64	59	45	37	33	
120	130	66	61	48	39	35	
130	140	68	65	51	42	37	
140	150	71	69	55	44	39	
150	160	74	73	58	46	41	
160	170	78	77	61	49	43	
170	180	82	81	64	51	45	
180	190	86	85	68	53	47	
190	200	91	90	72	56	49	
200	220	96	95	77	60	53	
220	240	102	101	82	65	57	
240	260	108	107	87	69	61	
260	280	114	113	92	74	65	
280	300	120	118	97	79	69	
300	325	127	125	103	84	74	
325	350	134	132	109	90	78	
350	375	141	139	115	96	83	
375	400	148	146	121	101	87	
400	425	155	153	127	107	92	
425	450	162	160	133	112	96	
450	475	169	167	139	118	101	
475	500	176	174	145	123	106	
500	525	183	181	151	129	111	

525	550	190	188	157	134	115
550	575	197	195	163	140	120
575	600	204	202	169	145	124
For distances over 600 miles add for each 25 miles or fraction thereof in excess of 600 miles		7	7	6	5	4½

(Continued in Item No. 285)

* Change
 ♦ Increase
 ◊ Reduction

Decision No. **61665**

EFFECTIVE APRIL 29, 1961

Issued by the Public Utilities Commission of the State of California;
 San Francisco, California.
 Correction No. 20

SECTION NO. 2 - DISTANCE COMMODITY RATES
 (In Cents per 100 Pounds)

Item
No.

Applies in connection with rates on Sheep in Item No. 280.

NOTE 1. - Rates in Item No. 280 referring to this note are subject to varying minimum weights per shipment, dependent upon the number of carrier's units of equipment used, as shown below, regardless of the amount of livestock loaded in each unit of equipment used. In no event shall the minimum weight per shipment be less than 27,000 pounds or actual weight, whichever is greater.

Number of Units of Equipment Used	<u>Minimum Weight</u> <u>(In Pounds)</u> <u>Sheep</u>
1	27,000
2	54,000
3	81,000
4	108,000
Over 4-Add to the minimum weight for 4 units of equipment 27,000 pounds for each unit of equipment in excess of 4.	

*06
285

NOTE 2. - Rates in Item No. 280 referring to this note are subject to varying minimum weights per shipment, dependent upon the number of carrier's units of equipment used, as shown below, regardless of the amount of livestock loaded in each unit of equipment used. In no event shall the minimum weight per shipment be less than 33,000 pounds or actual weight, whichever is greater.

Number of Units of Equipment Used	<u>Minimum Weight</u> <u>(In Pounds)</u> <u>Sheep</u>
1	33,000
2	66,000
3	99,000
4	132,000
Over 4-Add to the minimum weight for 4 units of equipment 33,000 pounds for each unit of equipment in excess of 4.	

For the purposes of Notes 1 and 2 above, a unit of equipment shall be deemed as any vehicle or combination of vehicles as described in Item No. 10 propelled by the use of a single motor truck or single other self-propelled highway vehicle.

* Change)
 ◊ Increase) Decision No. 61365
 ◊ Reduction)

EFFECTIVE APRIL 29, 1961

Issued by the Public Utilities Commission of the State of California,
 San Francisco, California.
 Correction No. 21