

**ORIGINAL**Decision No. 64234

## 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. 258

In the Matter of the Application of Southern Pacific Company, The Atchison, Topeka and Santa Fe Railway Company, Modesto and Empire Traction Company, Pacific Electric Railway Company, Northwestern Pacific Railroad Company, Pacific Motor Trucking Company, and Petaluma and Santa Rosa Railroad Company for authority to increase charges of PSFB Tariff 294-D, Item 340-C.

Application No. 44379

Arlo D. Poe, J. C. Kaspar and James Quintrall, for California Trucking Associations, Inc., petitioner in Case No. 5432.

Eugene Garfinkle, for various railroad applicants in Application No. 44379.

W. N. Greenham and E. J. Muzio, for various carriers, respondents in Case No. 5432.

Eugene A. Read, John P. Hellmann, Leo V. Cox, Jefferson H. Myers, J. R. McNicoll, Clifford F. Campbell, C. H. Costello, Alan Silvius, William Chessman, Keith M. Brown, Milton A. Walker, William G. Lankford, W. R. Donovan, Stephen Michels, W. F. McCann, and Harry J. Drees, for various shippers, interested parties.

R. A. Lubich and C. L. Griggs, for the Commission staff.

O P I N I O N

Item No. 240 of Minimum Rate Tariff No. 2 provides for certain accessorial charges in connection with the alternative use of common carrier rates. Among these is a charge of 2½ cents per

100 pounds for the service of loading or unloading of a carrier's equipment when the common carrier rate does not include such services. By Petition No. 258, filed March 27, 1962, in Case No. 5432, California Trucking Associations, Inc. requests that this charge be increased to 3 cents. The petition also requests that the present exemption from this charge applicable to shipments of certain grains and related items when loaded or unloaded by gravity be broadened to include all bulk commodities when so loaded or unloaded.

By Application No. 44379, filed April 23, 1962, the California railroads seek authority to make similar increases in Pacific Southcoast Freight Bureau Tariff No. 294-D applicable to trailer-on-flatcar services. Authority is also sought to establish an exemption from the charge on bulk commodities when loaded or unloaded by gravity.

The petition and the application were consolidated and heard on a joint record. Public hearing was held before Examiner William E. Turpen at San Francisco on June 18, 1962.

The loading charge was originally established in Minimum Rate Tariff No. 2 by Decision No. 55704 dated October 15, 1957, in Case No. 5432. It was last specifically considered and was increased from one cent to two cents, in Decision No. 59524, dated January 12, 1960. The latter decision stated that a cost study prepared by the present petitioner's director of research showed cost of loading or unloading of 4.5 cents per 100 pounds, and that petitioner explained that an increase to only 2 cents was sought so as to provide the least disruption of shipping practices.

In the instant proceeding, petitioner's director of research introduced a revised study based on current costs. The new study shows that the cost of loading or unloading is now 5.2 cents per 100 pounds. The witness said that, although the cost figures show that a higher charge than 3 cents is justified, petitioner still

feels that increases in the charge should be in small increments. In regard to expansion of the exemption to include all bulk commodities, he explained that gravity loading and unloading of commodities other than grain has become more common, that the conditions are similar and that therefore petitioner feels that all bulk commodities should receive the same treatment.

A witness for the railroad applicants testified that the trailer-on-flatcar rates that are subject to the loading and unloading charge were established to meet truckload rates assessed by highway carriers, which in turn were established to meet rail carload rates. He also said that the rail tariff does not now carry an exemption for gravity loading as applicants have not handled bulk grain in trailer-on-flatcar service but that if the exemption is broadened in Minimum Rate Tariff No. 2, as requested by petitioner, applicants desire to publish a corresponding exemption. Another witness for the rail lines introduced the same cost study as was introduced in Application No. 41280, which showed a cost of 4.7 cents per 100 pounds for loading or unloading the trailers. He said that he did not make a new study as the sought 3-cent rate is still less than the cost. He also testified that if current wage levels were used the cost would be higher.

A shipper witness introduced several exhibits to show the additional cost to his company that would result by applying the sought increased loading and unloading charge. It was developed, however, that most of the shipments used as illustrations were ones on which the charge would not apply.

Previous decisions relating to this matter have established the propriety of the charge for the loading or unloading service. As was the case in Petition No. 129 in Case No. 5432, the evidence herein is clear that a greater increase than that sought would be justified, but, for the reasons set forth by petitioner's witness, the

increase should be no greater at this time than that sought. We find that an increase to 3 cents per 100 pounds in the charge named in Item No. 240 of Minimum Rate Tariff No. 2 for the service of loading or unloading carrier's equipment is justified. It is also clear that the service of loading and unloading performed in connection with shipments handled by the railroads in trailer-on-flatcar service is the same as that performed by highway carriers. The evidence clearly shows, and we find, that the increase sought by the railroads in Application No. 44379 is justified. We also find that expansion of the exemption to cover all bulk commodities is justified and reasonable.

The petition and the application will be granted.

O R D E R

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

IT IS ORDERED that:

1. Minimum Rate Tariff No. 2 (Appendix D of Decision No. 31606 as amended) is hereby further amended by incorporating therein, to become effective November 3, 1962, Twenty-first Revised Page 26, attached hereto and by this reference made a part hereof.

2. Except for tariff publications required to be made by ordering paragraph 6 hereof, tariff publications required to be made by common carriers as a result of the order herein may be made effective not earlier than the tenth day after the effective date of this order on not less than ten days' notice to the Commission and to the public, and such tariff publications shall be made effective not later than November 3, 1962; the tariff publications which are authorized but not required to be made by common carriers as a result of the order herein may be made effective not earlier

than the tenth day after the effective date of this order, and may be made effective on not less than ten 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. In all other respects said Decision No. 31606, as amended, shall remain in full force and effect.

4. Pacific Southcoast Freight Bureau is hereby authorized to publish and file changes in Item No. 340-C of its Tariff 294-D as set forth in Application No. 44379. Tariff publications authorized to be made as a result of this ordering paragraph may be made effective not earlier than the tenth day after the effective date of this order on not less than ten days' notice to the Commission and to the public.

5. The authority granted by ordering paragraph 4, above, shall expire unless exercised within sixty days after the effective date of this order.

6. Common carriers maintaining, under outstanding authorizations permitting the alternative use of rail rates, rates below the specific minimum rate levels otherwise applicable on the commodities and between the points for which increases are authorized in ordering paragraph 4 hereof, are hereby authorized and directed to increase such rates, on not less than ten days' notice to the Commission and the public, to the level of the rail rates established pursuant to ordering paragraph 4 hereof, or to the level of the specific minimum rates, whichever is lower; such increases shall be made effective not later than thirty days after the effectiveness of the increased rail rates.

7. Common carriers, in establishing and maintaining the rates and charges authorized or directed hereinabove, are authorized to depart from the provisions of Section 460 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are modified only to the extent necessary to comply with this order; common carriers in publishing rates under the authority conferred in this ordering paragraph shall make reference in their schedules to the prior orders authorizing the long- and short-haul departures and to this order.

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

Dated at San Francisco, California, this  
11th day of September, 1962.

George G. Trover  
President  
D. L. Fox  
Fredrick B. Holloffe  
  
Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

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

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
	<p style="text-align: center;">ACCESSORIAL SERVICES NOT INCLUDED IN COMMON CARRIER RATES</p> <p>In the event under the provisions of Items Nos. 200 to 230, inclusive, a rate of a common carrier is used in constructing a rate for highway transportation, and such rate does not include accessorial services performed by the highway carrier the following charges for such accessorial services shall be added (except as otherwise provided in connection with individual rates):</p> <p>✓(1) For loading of carrier's equipment 03 cents per 100 pounds assessed on the weight on which transportation charges are computed (See Notes 1, 2, 4, 5 and 6);</p> <p>✓(2) For unloading of carrier's equipment, 03 cents per 100 pounds assessed on the weight on which transportation charges are computed (See Notes 1, 2, 4, 5 and 6);</p> <p>(4) For C.O.D. service - charges provided in Item No. 180;</p> <p>(5) For other accessorial services - charges provided in Item No. 145;</p> <p>210 (6) Split pickup or split delivery shall not be accorded unless included in the common carrier rate (See Items Nos. 220 and 230 for exceptions) except that, on shipments of dried fruit, split delivery may be accorded, subject to the additional charges named in Note 1 of Item No. 170, when all component parts of the shipment are destined to one or more docks, piers or wharves at:</p> <p style="padding-left: 40px;">(a) San Francisco only, or (b) Alameda, Oakland and/or Richmond, or (c) Stockton only.</p> <p>NOTE 1.-The charges for loading and/or unloading shall apply in all circumstances except:</p> <p>(a) When rates provided in this tariff are applied in combination with common carrier rates under the provisions of:</p> <p style="padding-left: 40px;">(1) Paragraph (a) of Item No. 210, only the accessorial charge for unloading shall be assessed,</p> <p style="padding-left: 40px;">(2) Paragraph (b) of Item No. 210, only the accessorial charge for loading shall be assessed, and</p> <p style="padding-left: 40px;">(3) Paragraph (c) of Item No. 210, no charge for either loading or unloading shall be assessed.</p> <p>(b) When the shipment is loaded into and/or unloaded from the carrier's equipment as follows:</p> <p style="padding-left: 40px;">✓(1) On shipments of any commodity, in bulk, when loaded and/or unloaded by gravity.</p> <p style="padding-left: 40px;">(2) By the consignor and/or consignee as follows:</p> <p style="padding-left: 80px;">(a) With power equipment as described in Item No. 10, or (b) When the carrier's equipment is a trailer or semi-trailer left for loading and/or unloading without the presence of carrier's employees.</p>

(3) Provided that on shipments described under subparagraphs (1) and (2) above the Shipping Document (Freight Bill) issued pursuant to Item No. 255 indicates that the shipment was loaded and/or unloaded under one of the circumstances described in subparagraphs (1) and (2) above.

NOTE 2.-When shipments consisting in whole or in part of Oil, Water or Gas Well Outfits and supplies, and other Articles, as described in Item No. 365, moving between points located in Los Angeles and Orange Counties on the one hand and points located in California, Salinas, Fresno and south thereof, on the other hand, are transported:

(a) Under the provisions of Item No. 200, a charge of  $3\frac{3}{4}$  cents per 100 pounds shall be added for loading, and a charge of  $3\frac{3}{4}$  cents per 100 pounds shall be added for unloading;

(b) Under the provisions of Paragraph (a) of Item No. 210, a charge of  $3\frac{3}{4}$  cents per 100 pounds shall be added for unloading;

(c) Under the provisions of Paragraph (b) of Item No. 210, a charge of  $3\frac{3}{4}$  cents per 100 pounds shall be added for loading; or

(d) Under the provisions of Paragraph (c) of Item No. 210, no additional charge shall be added for loading or unloading.

NOTE 4.-When shipments consisting in whole or in part of Liquors, alcoholic, N.O.-I.B.N., as described under that heading in the Western Classification, moving between San Francisco Territory and Los Angeles Territory are transported:

(a) Under the provisions of Item No. 200 a charge of  $3\frac{1}{2}$  cents per 100 pounds shall be added for loading, and a charge of  $\phi 3$  cents per 100 pounds for unloading.

(b) Under the provisions of Paragraph (a) of Item No. 210, a charge of  $\phi 3$  cents per 100 pounds shall be added for unloading;

(c) Under the provisions of Paragraph (b) of Item No. 210, a charge of  $3\frac{1}{2}$  cents per 100 pounds shall be added for loading; or

(d) Under the provisions of Paragraph (c) of Item No. 210, no additional charge shall be added for loading or unloading.

NOTE 5.-For loading or unloading of Cement, Portland (building), a charge of  $\phi 3$  cents per 100 pounds shall be added.

NOTE 6.-For pickup or delivery service at a point not at street level and where the minimum weight is less than 10,000 pounds, the loading or unloading provisions of this item will not apply and the additional charge provided in Item No. 120 will apply.

$\phi$  Change )  
 $\diamond$  Increase )  
 $\clubsuit$  Reduction )

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EFFECTIVE NOVEMBER 3, 1962

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.  
Correction No. 1275