

ORIGINAL

Decision No. 65907

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 any and all com-)
 modities between and within all points)
 and places in the State of California)
 (including, but not limited to, trans-)
 portation for which rates are provided)
 in Minimum Rate Tariff No. 2).

Case No. 5432
 (Petition for Modification
 No. 289)
 (Filed February 11, 1963)

Berol, Loughran & Geernaert, by Edward M. Berol
 for Graybar Electric Co., petitioner.
Craig J. Rovzar and H. F. M. Reynolds for Sacramento
 Chamber of Commerce; Wallis E. York for Shippers
 Distribution and Drayage; interested parties.
Dale R. Whitehead for the Commission staff.

O P I N I O N

Minimum Rate Tariff No. 2 names rates for the transpor-
 tation of general commodities between all points in California
 except for local transportation within incorporated cities, within
 described areas adjacent to certain cities, and between said cities
 and the adjacent areas. One of these areas includes the cities of
 Sacramento, North Sacramento and West Sacramento and designated
 industrial plants adjacent to these cities. By this petition
 Graybar Electric Company, Inc., seeks to have its warehouse located
 adjacent to Sacramento included in the Sacramento area exempted
 from the minimum rates.

Public hearing was held before Examiner Turpen at San
 Francisco on June 27, 1963. Evidence was presented by petitioner's
 operating manager and by the owner of the drayage firm performing
 local transportation for petitioner. No one appeared in opposition
 to the granting of the petition.

The record shows that petitioner's warehouse is located across the highway from the Sacramento city limits in an area closer to the center of Sacramento than locations directly north and east of petitioner's warehouse and that this area will be annexed to the city effective May 15, 1964, at which time it would automatically be included in the exempt territory.

Petitioner's operating manager testified that his company's competitors are located within the exempt territory as are most of his customers. He said that this results in his competitors enjoying freight costs much lower than his company has to pay, thus placing his company at a disadvantage. The witness further said that his company cannot absorb the additional freight costs and still operate at a profit. The owner of the drayage firm that does the local hauling for petitioner testified that he performs transportation for petitioner's competitors as well as for petitioner and in many instances for longer distances at lower rates. This witness further testified that he can perform the drayage service profitably at the lower rates.

We have previously recognized the fact that as communities grow their commercial areas expand and due recognition must be given to such growth. We find that petitioner's warehouse is located within the commercial area of Sacramento and that transportation from and to petitioner's plant is similar to that from and to the plants now included in the Sacramento exempted area and that characteristics of the traffic are the same whether handled within the city or between petitioner's or the named plants and the city.

We further find that all of such transportation should be accorded like treatment.

We conclude that the petition should be granted and Minimum Rate Tariff No. 2 should be amended in the manner set forth in the following order.

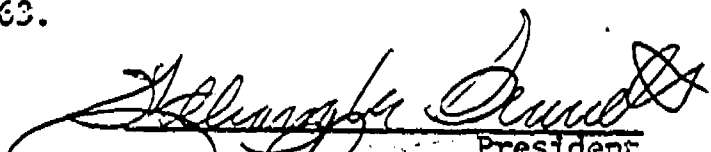
O R D E R

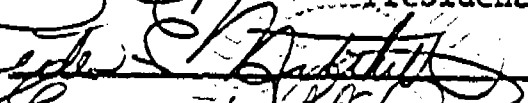
IT IS ORDERED that Minimum Rate Tariff No. 2 (Appendix "D" to Decision No. 31606 as amended) is hereby further amended by incorporating therein to become effective October 12, 1963, Twenty-first Revised Page 13, which page is attached hereto and by this reference made a part hereof.


In all other respects said Decision No. 31606, as amended, shall remain in full force and effect.

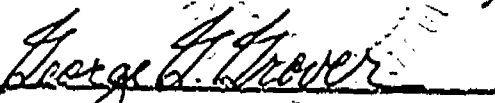
This order shall become effective twenty days after the date hereof.


Dated at San Francisco, California, this 20th day of August, 1963.



President








Commissioners

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
	<p style="text-align: center;">APPLICATION OF TARIFF - TERRITORIAL (Items Nos. 30 and 31)</p> <p>Subject to Note 1 of Item No. 31 the rates in this tariff apply for transportation of shipments between all points within the State of California, except:</p> <p>(a) Shipments having point of origin in Alameda, Albany, Berkeley, Emeryville, Oakland or Piedmont, and point of destination in another of those cities;</p> <p>(b) Shipments having both point of origin and point of destination within the San Diego Drayage Area as described in Minimum Rate Tariff No. 9-A;</p> <p>(c) Shipments having both point of origin and point of destination within the Los Angeles Drayage Area, as described in Minimum Rate Tariff No. 5;</p> <p>(d) Shipments (1) between Sacramento and North Sacramento; (2) between Sacramento and West Sacramento; (3) between said cities on the one hand and the adjacent plants of the Lumbermen's Supply Inc., Essex Lumber Company, Campbell Soup Company, McKesson & Robbins, Inc., Howard Terminal Warehouse, Royal Packing Company, Procter & Gamble Manufacturing Company, Fort Sutter Warehouse Co., Libby, McNeill & Libby, Boone Warehouses, Inc., and *Graybar Electric Company, Inc., on the other hand; (4) between said cities and plants on the one hand and the Sacramento Air Depot, the Sacramento Municipal Airport and the Sacramento Signal Depot on the other hand; (5) between the Sacramento Air Depot, the Sacramento Municipal Airport and the Sacramento Signal Depot; and (6) between any of the communities, plants, or other locations identified in this paragraph;</p> <p>(e) Shipments between Marysville and Yuba City and between said cities on the one hand and the adjacent plant of the Harter Packing Company on the other hand;</p> <p>(f) Shipments between the Sonora freight depot of the Sierra Railroad Company and Sonora;</p> <p>(g) Shipments having both point of origin and point of destination within the metropolitan Fresno area embraced by the following boundaries (includes both sides of streets, boulevards, roads, avenues or highways named):</p> <p>Beginning at the intersection of Hayes Avenue and Shaw Avenue, easterly along Shaw Avenue to U.S. Highway 99, northwesterly along U.S. Highway 99 to the San Joaquin River, easterly along the San Joaquin River to Friant Road, southerly along Friant Road to Alluvial Avenue, easterly along Alluvial Avenue to Fresno Avenue, southerly along Fresno Avenue to Herndon Avenue, easterly along Herndon Avenue to Chestnut Avenue, southerly along Chestnut Avenue to Shaw Avenue, easterly along Shaw Avenue to Fowler Avenue, southerly along Fowler Avenue to Jensen</p>

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Avenue, westerly along Jenson Avenue to Willow Avenue, southerly along Willow Avenue to Central Avenue, westerly along Central Avenue to U.S. Highway 99, northwesterly along U.S. Highway 99 to North Avenue, westerly along North Avenue to Marks Avenue, northerly along Marks Avenue to Jenson Avenue, westerly along Jenson Avenue to Cornelia Avenue, northerly along Cornelia Avenue to Kearney Avenue, westerly along Kearney Avenue to Hayes Avenue, northerly along Hayes Avenue to point of beginning.

(Continued in Item No. 31)

∅ Change)		65907
* Addition)	Decision No.	
∅ Reduction)		

EFFECTIVE OCTOBER 12, 1963

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.

Correction No. 1334