

**ORIGINAL**Decision No. 65990

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of J. P. Hackler, Tariff Publishing Officer, for approval of changes in classification provision.

Application No. 45367  
(Filed April 22, 1963)

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 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  
(Order Setting Hearing of  
May 21, 1963)

And Related Matters

Cases Nos. 5435, 5441 and  
5603  
(Orders Setting Hearings of  
May 21, 1963)

A. T. Suter, for J. P. Hackler, petitioner.  
E. J. McSweeney, for Pacific Motor Trucking Co.  
and Pacific Motor Transport Co.; respondents.  
A. E. Evers, for National Lead Co.; Eugene A. Read,  
for California Manufacturers Assn.;  
E. R. Chapman, for Foremost Dairies, Inc.;  
R. D. Toll, A. D. Poe and J. X. Quintrall,  
for California Trucking Association; Frank E. Ashton,  
for Crown Zellerbach Corp.; interested parties.  
John R. Laurie, for the Commission staff.

O P I N I O N

These matters were heard and submitted June 10, 1963 before Examiner Thompson at San Francisco.

Applicant seeks authority to make certain changes in ratings, rules and regulations in the Western Classification. Proceedings in the various minimum rate cases were initiated by the

Commission for the purpose of determining whether the changes proposed by applicant should be adopted to govern the minimum rates.

Applicant proposes to amend some 52 items in the Western Classification. Most of the proposed changes are for purposes of clarification of the application of ratings and to provide for articles that are not presently specifically described in the Classification. In some instances such changes in descriptive language would result in increases in the ratings of certain articles, in others there would be a reduction, and in others the changes would result in neither increases nor reductions. One of the proposed changes of the latter type is to add the words "butterine" and "butter oil" to the description in Item No. 31785 which provides ratings on butter grease. Applicant is proposing the change at the request of the U. S. Department of Agriculture because the use of the description "butter grease" on shipping documents is said to carry an unfavorable connotation.

The parties other than petitioner indicated interest in only three of the proposed changes. Foremost Dairies, Inc., supports the proposed reduction in the carload rating on sugar of milk (lactose) from fourth class, minimum weight 30,000 pounds to fifth class, minimum weight 36,000 pounds. It presented evidence of the transportation characteristics of lactose. The evidence shows that the commodity has transportation characteristics similar to other food products or ingredients, and more particularly sugar and other sweeteners, with which lactose competes in the food industry.

Applicant proposes to increase the carload minimum weight on steel rings, in the rough, from 36,000 pounds to 40,000 pounds. Applicant stated that this change in classification is intended to cover export shipments moving through Atlantic ports. He stated that inasmuch as the change involves only a nominal increase, the

change should be made applicable to California intrastate commerce in order to avoid a difference in the carload weight applicable to such commerce from that applicable to interstate commerce. In other words the granting of the proposed change will result in simplification of publication in the Classification. California Manufacturers Association asserted that there is no indication of whether there is any California intrastate movement of steel rings, in the rough, and, if there is any movement, the proposed change would increase the rates charged on such shipments and could, if it is the custom of shippers to sell and ship the rings in lots of 36,000 pounds, interfere with the marketing of the articles. It was contended that the benefits of tariff simplification, without any evidence of the transportation characteristics of the article or the effect of the changes upon shipping and marketing of the commodity, is not sufficient justification for an increase in rating.

It is proposed to establish ratings on ping pong tables of regulation size, with or without one set of playing equipment, under the generic heading "Athletic, Gymnastic or Sporting Goods". The proposed ratings are Class 2, less carload, and Class 4, carload, minimum carload weight 24,000 pounds subject to Rule 34. At present, ping pong tables without playing equipment are rated under the description: Furniture, metallic or wooden, tables, NOIBN. Several ratings are provided under that description, however, it appears that ordinarily ping pong tables would be subject to ratings of Class 2, less carload and Class 55, carload, minimum carload weight 20,000 pounds subject to Rule 34. The proposal, therefore, would result in an increase for straight carload shipments of tables. In connection with a mixed carload shipment of tables and playing equipment, the proposal in some instances would result in a reduction.

Applicant showed that the articles have a weight density of 20.2 pounds per cubic foot and a value per pound of 25.6 cents. Said characteristics are similar to those of other articles which are accorded ratings similar to those proposed herein. There was no protest to this proposal.

We find that:

1. The proposed carload rating on sugar of milk (proposed Item No. 88320) is just, reasonable and nondiscriminatory.
2. The proposed increase in the carload rating on steel rings (proposed new item designated S35-D215) has not been shown to be justified.
3. The proposed ratings on Tables, table tennis (proposed Items Nos. 7935 and 7936) are just, reasonable and nondiscriminatory and, to the extent that the establishment of said ratings will result in increases, said increases are justified.
4. With respect to each and every one of the remaining changes proposed by applicant, the proposed ratings, rules and regulations are just, reasonable and nondiscriminatory and, to the extent that the establishment of said proposed ratings, rules and regulations will result in increases, said increases are justified.
5. Except to the extent that there are exceptions to the Western Classification maintained in the various minimum rate tariffs and their governing publications applicable to the transportation of the articles involved herein, and also except for the proposal to increase the carload rating on steel rings, the proposed ratings, rules and regulations are suitable to govern the minimum rates established by the Commission in City Carriers' Tariff No. 1-A, City Carriers' Tariff No. 2-A, Highway Carriers' Tariff No. 1-A, Minimum Rate Tariff No. 2, Minimum Rate Tariff No. 5, and Minimum Rate Tariff No. 11-A; and that the rates and charges resulting from the application of said ratings, rules and regulations are, and for the future

will be, the just, reasonable and nondiscriminatory minimum rates for the transportation of property by city carriers and highway carriers subject to said minimum rate tariffs.

6. The departures from the long- and short-haul provisions of the Constitution of the State of California and of the Public Utilities Code requested by applicant are merely continuations of outstanding authorizations granted by the Commission and are reasonable.

Based upon the above findings we conclude that applicant should be authorized to establish the proposed ratings, rules and regulations except the proposed increased carload rating on steel rings. We further conclude that the ratings, rules and regulations, to the extent that they do not conflict with applicable exceptions to the Western Classification, should be adopted and approved to govern the minimum rates established by the Commission and prescribed in the minimum rate tariffs listed above. We also conclude that applicant, and all common carriers subject to the minimum rate orders of the Commission should be 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.

O R D E R

IT IS ORDERED that:

1. J. P. Hackler, Tariff Publishing Officer, for carriers participating in the Western Classification is authorized to establish the ratings, rules and regulations, except the increased carload rating on steel rings (designated in the application "S35-D215"), as proposed in Application No. 45367.

2. Applicant's request to increase the carload rating on steel rings (designated in the application "S35-D215") is denied.

3. The changes in the classification ratings, rules and regulations hereinabove authorized are approved and adopted to govern minimum rates, rules and regulations promulgated by the Commission in City Carriers' Tariff No. 1-A, City Carriers' Tariff No. 2-A - Highway Carriers' Tariff No. 1-A, Minimum Rate Tariff No. 2, Minimum Rate Tariff No. 5 and Minimum Rate Tariff No. 11-A.

4. Common carriers maintaining classification exceptions lower in volume or effect than the ratings, rules and regulations authorized in paragraph 1 of this order are authorized to continue to maintain said exceptions until sixty days after the effective date of the classification changes provided for in paragraph 1 hereof.

5. Tariff publications required or authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and to the public.

6. Common carriers, in establishing and maintaining the rates authorized hereinabove, are hereby 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 hereby modified only to the extent necessary to comply with this

order; and 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.

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

Dated at San Francisco, California, this 10<sup>th</sup> day of SEPTEMBER, 1963.

William B. Bennett  
President

Carl E. Hirsch

Everett W. King

George L. Trover

Frederick B. Halali  
Commissioners