66275 **ARIGINAL** Decision No. 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 Case No. 5432 (Petition for Modification to the transportation of any and all No. 307) 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. 5435 (Petition for Modification No. 50) and Related Matters. Case No. 5439 (Petition for Modification No. 30) Case No. 5441 (Petition for Modification No. 73)

YPO

 <u>George E. Gwinup</u>, for Rubber Manufacturers Association, Inc., petitioner.
<u>W. N. Greenham</u>, for Pacific Motor Trucking Company, respondent.
<u>J. C. Kaspar</u>, A. D. Poe and James X. Quintrall, for California Trucking Association, interested party.
<u>H. E. Frank</u>, for the Commission staff.

OPINION AND ORDER

Public hearing on these matters was held before Examiner Mallory at San Francisco on September 25, 1963, on which date the matters were submitted.

The petitions seek the establishment of an exception classification rating of third class, less carload, on tires, tubes and other rubber articles in Minimum Rate Tariffs Nos. 1-B, 2, 5 and

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9-A, and City Carriers' Tariff No. 1-A. At the hearing petitioner requested that Petition for Modification No. 30 in Case No. 5439 relating to Minimum Rate Tariff No. 9-A be dismissed, as the relief sought therein is improper.

Petitioner, Rubber Manufacturers Association, is an association of 167 members which manufacture rubber products. The membership is located throughout the country. The petitions recite that 80,000,000 pounds of rubber articles are shipped yearly in intrastate and interstate commerce in California.

Second class ratings are applicable to the rubber articles in question, as provided in the Western Classification, which governs the above-mentioned minimum rate tariffs, except Minimum Rate Tariff No. 9-A. The petitions set forth the corresponding ratings on the articles contained in Uniform Freight Classification No. 6 (rail) and National Motor Freight Classification A-6 (truck). The articles are subject to less carload or less truckload ratings in those classifications of Class 70 or Class 77½. The petitions allege that the present second class ratings applicable on California intrastate traffic are prejudicial to California intrastate traffic and are preferential to interstate traffic within and from and to points in California, inasmuch as the rubber articles shipped in interstate traffic would be rated third class. No additional evidence was presented at the bearing in support of the petitions.

The showing made in support of the petitions is that ratings in other jurisdictions are different than those applicable within California. Assertedly, the ratings on interstate traffic are less than within California. $\frac{1}{}$ The ratings on interstate

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Whether ratings in National Motor Freight Classification A-6 and Uniform Freight Classification No. 5 are equivalent to third class ratings, as alleged, has not been shown.

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traffic, however, are stated on a different basis from those in the classification governing the minimum rates in California and the class rate structures applicable in connection with the interstate ratings are, in most instances, different from the minimum rate structure prescribed by this Commission for application within California. Comparison of the ratings sought to be applied within California with ratings in other classifications are of significance only when the structure of the classifications being compared, together with the rate structure of the tariffs governed thereby, are similar. Standing alone, the evidence submitted by the petitioner is not sufficient to show that the present less carload ratings in the Western Classification on rubber articles are unreasonable or that the rating proposed would be reasonable to govern the minimum rates established by this Commission.

Based upon the evidence the Commission finds that the proposals have not been justified. The Commission concludes that the petitions should be denied, with the exception of Petition No. 30 in Case No. 5439, which should be dismissed.

IT IS ORDERED that:

1. Petition for Modification No. 307 in Case No. 5432, Petition for Modification No. 50 in Case No. 5435, and Petition for Modification No. 73 in Case No. 5441 are denied.

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2. Petition for Modification No. 30 in Case No. 5439 is dismissed.

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

Dated at <u>Autroness</u> , California, this
day of <u>Manember</u> , 1963.
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President
and the
George J. Hisover
Frederick, B. Holdust

Commissioners