

66784

Decision No. \_\_\_\_\_

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 any and all com- )  
 modities 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. 321)

ORDER EXTENDING EXPIRATION DATE

By Decision No. 61338, dated January 10, 1961, in Petition for Modification No. 185 in Case No. 5432, the Commission made the transportation of wood chips, in bulk, exempt from the provisions of Minimum Rate Tariff No. 2. Said exemption, which became effective March 4, 1961, was made subject to an expiration date of March 4, 1962. Extensions of the expiration date for one year periods were made in 1962 and 1963,<sup>1/</sup> so that said exemption is now scheduled to expire March 4, 1964. In the aforesaid Decision No. 61338, the Commission concluded that the class rates theretofore applicable were too high to permit the free movement of wood chips and that minimum rates for the commodity in question should be established at reasonable levels consistent with current costs of performing the service. The record in Petition for Modification No. 185, the Commission said, did not provide a suitable basis for determining such rate levels and the staff was directed to make the necessary cost and rate studies.

<sup>1/</sup> Pursuant to Decisions Nos. 63192 and 64868, respectively, in Petitions for Modification Nos. 242 and 279, respectively, in Case No. 5432.

By the instant petition, Fibreboard Products Corporation, Georgia-Pacific Corporation, Kimberly-Clark Corp. and Masonite Corporation seek a further extension of the present expiration date for a period of five years.

In connection with the most recent extension of the expiration date in question, the Commission's attention was directed to the fact that, from 1960 onward, there had been a severe reversal of economic conditions in the western lumber industry. As a consequence of this situation, truck movements of wood chips had not materialized in volume sufficient to provide a suitable basis for staff cost and rate studies.

According to the instant petition, each petitioner has or is in the process of constructing multi-million dollar facilities which utilize wood chips in bulk as the primary raw material. The petition further alleges that the present year-to-year exemption has shown that the installation of wood chip-producing equipment is now economically justified; that the development of new and improved barking and chipping methods and equipment, and of new and improved trucking techniques and equipment, will require a relatively lengthy period during which carriers, suppliers and users of wood chips, can freely negotiate with regard to operating methods, equipment and costs; that the normal amortization period for equipment used to produce and transport wood chips in bulk is five years; that extension of the present wood chip exemption for five years would provide a reasonable period of time for the purposes hereinabove stated; and that such a period is necessary in order for the transportation of wood chips in bulk by for-hire carriers to so increase as to make possible the development of meaningful cost

and rate studies of the transportation in question, as directed by the aforesaid Decision No. 61338.

All known interested parties have been advised of petitioners' proposal. No protests have been received.

We find that the proposed extension of the wood chips exemption for a period of five years is reasonable and has been justified, subject to the reservation that, in the event that conditions should so change prior to March 4, 1969 as to justify the substitution of an earlier expiration date, the tariff provisions in question will be subject to such revision as shall then appear proper.

The Commission concludes that the petition should be granted. A public hearing is not necessary. Because of the imminence of the present expiration date, the order which follows will be made **effective on the date hereof.**

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 March 4, 1964, *Thirty-sixth Revised Page 15*, which revised page is attached hereto and by this reference made a part hereof.

2. Tariff publications authorized 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 page incorporated in this order.

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

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 11<sup>th</sup> day of FEBRUARY, 1964.

Charles W. Page President

George L. Hoover

Fredrick B. Habluff

\_\_\_\_\_  
Commissioners

Commissioner William M. Bonnett, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Peter E. Mitchell, 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;">APPLICATION OF TARIFF-COMMODITIES (Concluded) (Items Nos. 40 and 41)</p> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <p>Property transported to a United States Post Office for mailing and United States mail transported from a post office to the addressee thereof (Subject to Note 11),</p> <p>Sea Shells, crushed, ground, powdered or disintegrated (Subject to Note 5),</p> <p>Seed, cotton,</p> <p>Seed, safflower,</p> <p>Seeds to be sown or planted, (Subject to Note 6),</p> <p>Shell Marl, crushed, ground, or powdered,</p> <p>Shells, walnut,</p> <p>Shipments weighing 100 pounds or less when delivered from retail stores or retail warehouses where the property has been sold at retail by a retail merchant, or when returned to the original retail store shipper via the carrier which handled the outbound movement (Subject to Note 3),</p> <p>Shipments weighing 10 pounds or less when transported by carriers which operate no vehicles exceeding a licensed weight of 4,000 pounds (Subject to Note 12),</p> <p>Sulphur,</p> <p>United States mail transported for the Post Office Department under contract,</p> </td> <td style="vertical-align: top; width: 50%;"> <p>Used Property, viz.: household goods, personal effects, furniture, musical instruments, radios, and office and store fixtures and equipment, as described in and for which rates are provided in Minimum Rate Tariff No. 4-B, and used property as described therein of state, county or municipal governments, or transported under an agreement whereby the governments contracted for the carrier's services,</p> <p>Vegetables, fresh or green, including mushrooms, fresh, (not cold pack nor frozen),</p> <p>Vegetables, which are placed in a preservative and are destined to a cannery for processing into a preserved or pickled vegetable,</p> <p>Vegetables, dried, viz.: Beans (except Mesquite), Lentils, Onions, Peas (except Cow Peas), Pepper Pods,</p> <p>Voting Booths, Ballot Boxes, Election Tents and Election Supplies, when transported from or to polling places,</p> </td> </tr> </table> <p style="margin-top: 20px;">NOTE 1.-Includes only used empty carriers which are returning from an outbound paying load of traffic for which rates are not provided in this tariff, or which are being forwarded for a return paying load of traffic for which rates are not provided in this tariff (Subject to Item No. 80 of the Exception Ratings Tariff).</p> <p style="margin-top: 10px;">NOTE 2.-Exemption applies only when commodities flagged subject to this note are shipped in milk shipping cans, in bottles in cases or crates, or in bulk in tanks.</p> <p style="margin-top: 10px;">NOTE 3.-Exemption applies only when the distance between point of origin and destination does not exceed 35 miles, computed in accordance with the provisions of Item No. 100.</p>	<p>Property transported to a United States Post Office for mailing and United States mail transported from a post office to the addressee thereof (Subject to Note 11),</p> <p>Sea Shells, crushed, ground, powdered or disintegrated (Subject to Note 5),</p> <p>Seed, cotton,</p> <p>Seed, safflower,</p> <p>Seeds to be sown or planted, (Subject to Note 6),</p> <p>Shell Marl, crushed, ground, or powdered,</p> <p>Shells, walnut,</p> <p>Shipments weighing 100 pounds or less when delivered from retail stores or retail warehouses where the property has been sold at retail by a retail merchant, or when returned to the original retail store shipper via the carrier which handled the outbound movement (Subject to Note 3),</p> <p>Shipments weighing 10 pounds or less when transported by carriers which operate no vehicles exceeding a licensed weight of 4,000 pounds (Subject to Note 12),</p> <p>Sulphur,</p> <p>United States mail transported for the Post Office Department under contract,</p>	<p>Used Property, viz.: household goods, personal effects, furniture, musical instruments, radios, and office and store fixtures and equipment, as described in and for which rates are provided in Minimum Rate Tariff No. 4-B, and used property as described therein of state, county or municipal governments, or transported under an agreement whereby the governments contracted for the carrier's services,</p> <p>Vegetables, fresh or green, including mushrooms, fresh, (not cold pack nor frozen),</p> <p>Vegetables, which are placed in a preservative and are destined to a cannery for processing into a preserved or pickled vegetable,</p> <p>Vegetables, dried, viz.: Beans (except Mesquite), Lentils, Onions, Peas (except Cow Peas), Pepper Pods,</p> <p>Voting Booths, Ballot Boxes, Election Tents and Election Supplies, when transported from or to polling places,</p>
<p>Property transported to a United States Post Office for mailing and United States mail transported from a post office to the addressee thereof (Subject to Note 11),</p> <p>Sea Shells, crushed, ground, powdered or disintegrated (Subject to Note 5),</p> <p>Seed, cotton,</p> <p>Seed, safflower,</p> <p>Seeds to be sown or planted, (Subject to Note 6),</p> <p>Shell Marl, crushed, ground, or powdered,</p> <p>Shells, walnut,</p> <p>Shipments weighing 100 pounds or less when delivered from retail stores or retail warehouses where the property has been sold at retail by a retail merchant, or when returned to the original retail store shipper via the carrier which handled the outbound movement (Subject to Note 3),</p> <p>Shipments weighing 10 pounds or less when transported by carriers which operate no vehicles exceeding a licensed weight of 4,000 pounds (Subject to Note 12),</p> <p>Sulphur,</p> <p>United States mail transported for the Post Office Department under contract,</p>	<p>Used Property, viz.: household goods, personal effects, furniture, musical instruments, radios, and office and store fixtures and equipment, as described in and for which rates are provided in Minimum Rate Tariff No. 4-B, and used property as described therein of state, county or municipal governments, or transported under an agreement whereby the governments contracted for the carrier's services,</p> <p>Vegetables, fresh or green, including mushrooms, fresh, (not cold pack nor frozen),</p> <p>Vegetables, which are placed in a preservative and are destined to a cannery for processing into a preserved or pickled vegetable,</p> <p>Vegetables, dried, viz.: Beans (except Mesquite), Lentils, Onions, Peas (except Cow Peas), Pepper Pods,</p> <p>Voting Booths, Ballot Boxes, Election Tents and Election Supplies, when transported from or to polling places,</p>		

41

NOTE 4.-Exemption applies only as to dried fruit in the natural state and which has not been cleaned, washed, stemmed or otherwise prepared or partially prepared for human consumption.

NOTE 5.-Exemption does not apply to sea shells as described in Item No. 653.

NOTE 6.-Exemption applies only to seeds to be sown or planted, viz.:

Adzuki,	Clover (except	Molasses grass,	Ryegrass,
Alfalfa,	sweet clover),	Mustard (except	Sainfoin,
Bahia grass,	Creeping bent,	wild mustard),	Sand dropseed,
Bean, field,	Dallis grass,	Napier grass,	Sesbania,
horse, lima,	Dog's-tail,	Oatgrass, tall,	Soybean,
mat or mung,	crested,	Orchard grass,	Sudan grass,
Beet, field or	Doliches,	Pea, Austrian	Sweet vernalgrass,
sugar,	Fenugreek,	winter, Ca-	Timothy,
Bentgrass,	Fescue grass,	nadian field,	Velvet bean,
Bermuda grass,	Foxtail, meadow,	tangier or	Velvet bent,
Bluegrass,	Guar,	wedge,	Velvet grass,
Bluestem,	Guinea grass,	Popcorn (1),	Wheatgrass,
Brone, bunch	Harding grass,	Proso,	crested or
or smooth,	Kudzu,	Redtop,	slender.
Carpet grass,	Lespedeza,	Reed canary grass,	
Chick pea	Lupine,	Rescue grass,	
(garbanzo),	Medic, black,	Rhodes grass,	

NOTE 8.-Exemption will not apply to transportation for which rates are provided in Items Nos. 315 and 605.

NOTE 11.-Exemption applies only to transportation between points within a radius of 25 miles of the intersection of 1st and Main Streets, Los Angeles, said mileage to be computed in accordance with the provisions of Item No. 100.

NOTE 12.-Exemption applies only to transportation between points located within the Los Angeles Basin Territory as described in Item No. 270.

NOTE 13.-Exemption expires with March 4, 1969.

(1) See Items Nos. 360 and 652 for rates on popcorn other than popcorn seed.

Change, Decision No.

66784

EFFECTIVE MARCH 4, 1964

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

Correction No. 1432