C. 5+32, 12+306, OSH 9-10-63 C-5+35, 12+449, OSH 9-10-63 C-5+39, 12+29, OSH 9-10-63

DECISION NO. 6698/ CASE NO. 544/ APP. NO. 4566/ Pst. 478-05H. 9-10-63

Decision	No.
~~~~~~	V. A. B.

66981

omiumal

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SOUTHERN PACIFIC COMPANY, THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, MODESTO AND EMPIRE TRACTION COMPANY, NORTHWESTERN PACIFIC RAILROAD COMPANY, PACIFIC MOTOR TRUCKING COMPANY, and PETALUMA AND SANTA ROSA RAILROAD COMPANY for authority to increase charges set forth in Item 340 and other items of P.S.F.B. Tariff 294-D.

Application No. 45661

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 (Petition for Modification No. 306 and Order Setting Hearing Dated September 10, 1963)

And Related Matters.

Case No. 5435 (Petition for Modification No. 49)

Case No. 5439 (Petition for Modification No. 29)

Case No. 5441 (Petition for Modification No. 72)

(Also Order Setting Hearing Dated September 10, 1963 in Cases Nos. 5435, 5439 and 5441) A. D. Poe, J. C. Kaspar and J. X. Quintrall, for
California Trucking Association, petitioner and
interested party.

Albert T. Suter, for various railroads and Pacific
Motor Trucking Company, applicants and respondents.

Eugene A. Read, for California Manufacturers

Association; James M. Cooper and Charles C. Miller,
for San Francisco Chamber of Commerce; V. A.
Bordelon, for Los Angeles Chamber of Commerce;
E. J. Langhofer, for San Diego Chamber of Commerce;
A. E. Norrbom, for Traffic Managers Conference of
California; David B. Porter, for California Packing
Corporation; Ronald J. Stangel, for Container
Corporation of America; Reed B. Tibbetts, for Owens
Illinois Glass; interested parties.

R. A. Lubich and Dale R. Whitehead, for the Commission
staff.

## OPINION

Item No. 240 of Minimum Rate Tariff No. 2 contains accessorial charges and related provisions applicable in connection with the alternative use of common carrier rates. By Petition for Modification No. 306, as amended, in Case No. 5432, California Trucking Association proposes that the charge of 3 cents per 100 pounds named therein for loading or unloading be increased to 4 cents. Petitioner proposes that concurrently a new accessorial charge of 2 cents per 100 pounds be established in the aforesaid item, for loading or unloading of carrier's equipment when such loading or unloading is accomplished by the consignor or consignee with the physical assistance of a single carrier employee (either a driver or helper) by the use of power equipment, to be furnished by the consignor or the consignee without expense to the carrier,

The charges and other provisions in question are applicable when a common carrier rate is used to construct a rate for highway transportation and such common carrier rate does not include accessorial services performed by the highway carrier.

provided also that the shipping document shall indicate that the shipment was loaded or unloaded under said circumstances. The charge of 4 cents would be assessed when loading or unloading is performed under circumstances other than those specified in connection with the proposed charge of 2 cents. However, as under the presently applicable provisions of Item No. 240, no accessorial charge would be assessed for loading or unloading when such service is performed by the consignor or the consignee with power equipment, subject to the proposed clarification that the power equipment shall be used without expense to the carrier. Certain other changes in Item No. 240 are also proposed by petitioner. They will be hereinafter discussed.

Item No. 180 of Minimum Rate Tariff No. 9-A (applicable to movements within the San Diego Drayage Area) provides an accessorial charge of 5 cents per 100 pounds for loading or unloading shipments, to be applied when the common carrier rate does not include such services. No change in this charge is proposed, but petitioner seeks the incorporation of a new provision to the effect that common carrier rates cannot be used alternatively when both origin and destination of the shipment are within a single city.

Minimum Rate Tariff No. 1-B (applicable within the East Bay Drayage Area) and Minimum Rate Tariff No. 5 (applicable within the Los Angeles Drayage Area) provide (in Items Nos. 130 and 140, respectively) for alternative application of common carrier rates. Accessorial charges to be assessed for services not included in the common carrier rates are those set forth in the general accessorial charge items of the tariffs in question. These charges are stated on an hourly basis. In lieu thereof petitioner proposes, for the accessorial service of loading or unloading, the establishment in

the aforesaid Items Nos. 130 and 140 of a charge of 4 cents per 100 pounds. Again, in these items petitioner seeks the inclusion of a provision to the effect that common carrier rates may not be used alternatively when point of origin and point of destination are located in a single city.

By Application No. 45661, as amended, the California railroads seek authority to make adjustments in certain of the rates, charges and rules published in Pacific Southcoast Freight Bureau Tariff No. 294-D applicable to trailer-on-flat car service, corresponding to the changes sought by the aforesaid Petition No. 306 for Item No. 240 of Minimum Rate Tariff No. 2.

By Order Setting Hearing dated September 10, 1963 in Cases Nos. 5432, 5435, 5439 and 5441 the Commission scheduled a hearing to determine whether increases should be directed in the accessorial charges for loading and unloading maintained by highway common carriers under alternative application provisions of the minimum rate orders, corresponding to increases which may be authorized in the above-mentioned rail tariff pursuant to Application No. 45661.

Public hearing of the above-described petitions, application and order setting hearing was held on a common record before Examiner Bishop at San Francisco and Los Angeles on November 19 and 21, 1963, respectively. Evidence on behalf of California Trucking Association was presented by the director of its research division. Evidence on behalf of the applicant rail lines was offered through two officials of Southern Pacific Company, namely, an assistant freight traffic manager and the assistant to the manager of that carrier's bureau of transportation research. Various interested parties and members of the Commission's Transportation Division staff assisted in the development of the record through examination of the witnesses.

Prior to November 18, 1957 Item No. 240 provided that no accessorial charges would be assessed for the service of loading or unloading when highway shipments were, under alternative rate provisions of the minimum rate tariff, assessed a common carrier rate which did not include said services. This provision was subject to certain commodity exceptions hereinafter to be discussed. Effective on the above-mentioned date a charge of one cent per 100 pounds was established in said item. In the following years the charge was progressively increased and the present charge of three cents became effective on November 3, 1962, pursuant to Decision No. 64234. In that decision the Commission noted that said increased charge would still fall short of covering the cost to the carrier of performing either the loading or unloading service for which the charge was provided.

In the instant proceedings the aforesaid research director testified that the Association does not consider Item No. 240 one from which substantial revenues are expected to be derived. On the contrary, the services involved are such as the carriers prefer not to furnish, because if the loading or unloading charge does not apply, the shipper has cooperated in expediting the loading and unloading of shipments and has enabled the carriers to obtain greater use of their vehicles in more productive service.

The director pointed out that from time to time the item in question has been modified to reflect changed circumstances in carrier and shipper practices. For example, shippers in many instances cooperate by furnishing power equipment, with which they perform a part of the unloading service, but where it is also

<sup>2/</sup> In Petition for Modification No. 253, in Case No. 5432.

necessary for one of the carrier's employees to be present during the operation. As a result of conferences with the shippers the Association now proposes the establishment of the above-mentioned 2-cent charge where loading or unloading is performed under these circumstances. This charge, which would result in a reduction, would reflect the lesser expense incurred by the carrier where the shipper assists, and would recognize also the reduction, through the use of power equipment, in the amount of nonproductive equipment time.

As in prior proceedings involving Item No. 240, the Association made a study to determine the costs incurred in loading and unloading shipments. This study was not merely one in which a prior study was brought up to date to reflect current labor and other operating cost levels. It was a thoroughgoing analysis, including development of current performance factors. These latter were ascertained through direct observation of loading and unloading operations, including measurement of time experienced in waiting to unload, in addition to other pertinent factors. The observations, the witness explained, were confined to shipments as to which the present accessorial charge of 3 cents was applicable. The study, he said, was conducted on a statewide basis. Costs were developed separately for the services covered by the proposed charges of 2 cents and 4 cents, respectively.

According to an exhibit in which the results of the study were summarized, the full costs thus developed, without provision for profit, are as follows:

Associated with Services Under:
Proposed Proposed
2-cent Rate 4-cent Rate
(Cents per (Cents per 100 pounds) 100 pounds)

Cost

3.8

6.8

The director testified that even at the levels berein proposed the accessorial charges would not return the costs involved in rendering the services for which they would be assessed. He pointed out that petitioner has a continuing program of seeking to have the charges in question raised to the full cost level.

Among other changes sought by petitioner in Item No. 240 are cancellation of loading and unloading charges published therein specifically for certain movements of Oil, Water or Gas Well Outfits, Supplies and related articles, for certain movements of alcoholic liquors, and for shipments of Portland cement. Upon cancellation of these provisions the proposed generally applicable charges of 2 cents and 4 cents would apply according to the circumstances attending the loading or unloading of the shipments. The charges proposed to be cancelled ranged from 3 cents to 3-3/4 cents per 100 pounds. These revisions, the research director indicated, would contribute to simplification of the tariff.

Item No. 240 now provides that shipments of dried fruit transported alternatively at common carrier rates may be accorded split delivery when all the component parts are destined to one or more docks at Stockton only, or at San Francisco only, or at Oakland, Alameda and Richmond, even though the common carrier rates do not include such split delivery service. The shipments are, however, subject to split delivery charges provided elsewhere in the minimum rate tariff. Petitioner seeks cancellation of this provision. The research director testified that petitioner's study failed to

disclose any shipments that came within the purview of the provision in question, from which he concluded that there is little if any use made of it. Assertedly, the circumstances which prompted the establishment of the provision in  $1954^{-1}$  no longer prevail.

Other changes proposed in Item No. 240 are for simplification or for clarification of existing provisions. It does not appear necessary to describe these proposals individually.

In explaining the proposals involving the drayage tariffs, namely, Minimum Rate Tariffs Nos. 1-B, 5 and 9-A, the research director pointed out that very little use is made of the provisions thereof which permit the alternation of common carrier rates with the minimum rates set forth in said tariffs. The Association nevertheless feels, he said, that in the interest of consistency and to promote uniformity, provisions similar to, but not as elaborate as those provided in Item No. 240 of Minimum Rate Tariff No. 2, should be established in the drayage tariffs. As hereinbefore indicated, the San Diego tariff, No. 9-A, now contains an accessorial charge for loading or unloading stated in cents per 100 pounds. The instant proposals relating to that tariff are designed, in part, to bring the wording of the provisions in question more nearly into conformity with those of the line haul tariff. It is to be observed, however, that petitioner does not propose that a charge of 2 cents per 100 pounds be established in any of the drayage tariffs here in issue, corresponding to that sought for Minimum Rate Tariff No. 2, for application when the shipper assists in the loading or unloading with power equipment.

Pursuant to Decision No. 50782, dated November 23, 1954, in Petition for Modification No. 44 in Case No. 5432.

The East Bay and Los Angeles drayage tariffs (Minimum Rate Tariffs Nos. 1-B and 5, respectively), provide for the application of certain rail switching charges where such charges, together with certain additives, produce lower charges than result under the rates otherwise set forth in said tariffs. These provisions are in addition to the general alternative rate items involved in the instant proceedings. It is to be observed that the item (No. 900) in Tariff No. 1-B containing the aforesaid switching charge provision specifically sets forth charges which purport to be equivalent to the rail switching charges concurrently applicable between the locations involved. In Tariff No. 5, however, Item No. 330 simply gives reference to the rail tariff in which the alternative switching charges are published. In the instant proceedings, it is proposed to modify the language of Items Nos. 130 and 140 of the aforesaid Tariffs Nos. 1-B and 5, respectively, in such a manner as to avoid the assessment of multiple accessorial charges in those instances where the above-mentioned switching items of the tariffs are involved. The necessity for a further modification in the language of Tariff No. 1-B to safeguard the application alternatively of switching charges other than those reflected in Item No. 900 was brought out at the hearing.

As hereinbefore mentioned, petitioner proposes to restrict Items Nos. 130, 140 and 180 of Tariffs Nos. 1-B, 5 and 9-A, respectively, so that common carrier rates may not be applied alternatively, when both origin and destination of shipments

The charges apply on movements <u>between</u> water carriers' docks, piers or wharves <u>and</u> warehouses and industries directly served by railroad spur track facilities.

subject to the rates in said tariffs are within a single city. [5]

In explanation of this proposal the research director pointed out that the City Carriers' Act (Chapter 2 of Division 2 of the Public Utilities Code) does not contain provisions corresponding to those set forth in Section 3663 of the Highway Carriers' Act (Chapter 1 of Division 2 of the Public Utilities Code). [6]

Therefore, he testified, there is no statutory requirement that minimum rates for city carriers shall alternate with common carrier rates when the latter produce lower charges for the transportation of the same kind of property between the same points. Under the circumstances, the Association considers such alternation, as currently provided by the drayage minimum tariffs, to result in unnecessary dispersion of revenues. This undesirable situation, the witness indicated, would be eliminated by the proposed restrictions.

The assistant freight traffic manager testified that the trailer-on-flat car rates that are subject to the loading and unloading charges, or which reflect such charges in the volume of the rates, were established to meet truckload rates assessed by highway carriers, the latter in turn having been established to meet rail carload rates. As in the highway carrier proposal for Item No. 240 of Minimum Rate Tariff No. 2, he pointed out that in Application No. 45661, as amended, the rail lines propose the

<sup>5/</sup> The geographical scope of each of the minimum rate tariffs in question is such as to embrace movements between points in a single city and movements which do not fall in that category.

<sup>5/</sup> Section 3663 reads as follows: "In the event the commission establishes minimum rates for transportation services by highway permit carriers, the rates shall not exceed the current rates of common carriers by land subject to Part 1 of Division 1 for the transportation of the same kind of property between the same points."

establishment of the 2-cent charge, as well as the 4-cent charge, the application of each to be subject to conditions equivalent to those proposed for said Item No. 240 of the minimum rate tariff. Counsel for the rail lines stipulated with counsel for the Association that the provision in the rail tariff which exempts shipments from the accessorial charges when loading or unloading performed by consignor or consignee with power equipment should be accorded the same clarification as is proposed for the corresponding provision in Item No. 240.

The assistant manager of Southern Pacific's bureau of transportation research introduced a study purporting to reflect the cost incurred by his company in performing the services for which the accessorial charges involved in Application No. 45661 are provided. The full cost, without provision for profit, reflected by the study was 5.8 cents per 100 pounds. This figure was developed by revising the data contained in an earlier study to give effect to current operating cost levels. The study shows the costs incurred in hand loading only. No study was made of costs experienced under the circumstances which would prevail in connection with the proposed 2-cent accessorial charge.

With one exception, no objection was registered to any of the proposals set forth in the petitions and application, as amended, here under consideration. California Manufacturers Association objected to the proposed restriction in Item No. 130 of the East Bay drayage tariff (Minimum Rate Tariff No. 1-B) which would prohibit the alternative application of common carrier rates when both origin and destination of a shipment are in a single city. The representative of that organization pointed out that at the present time the item may be invoked, for example, on a movement between two points

in Oakland, or between a point in Oakland and a point in Berkeley. If the proposal in question is adopted common carrier rail switching rates may not be used for the intra-Oakland movement, when lower than the minimum drayage rates, whereas such rail rates may still be used on the movement from Oakland to Berkeley. This situation, he contended, would result in higher rates for the intra-Oakland movement than would apply in connection with the longer haul from Oakland to Berkeley.

## Discussion, Findings and Conclusions

The record shows that the costs of performing the accessorial services of loading and unloading shipments have increased since the charges for such services were last adjusted. It is evident, moreover, that even if the charge of 3 cents per 100 pounds, now provided in Minimum Rate Tariff No. 2 and in Pacific Southcoast Freight Bureau Toriff No. 294-D, is increased to 4 cents, such charge will fall short of covering the full cost of the services for which it is proposed to be assessed. The proposed charge of 2 cents per 100 pounds, which would result in a reduction, is also less than the cost to the carriers of performing their share of the loading and unloading services for which that charge is sought to be provided. The record shows, however, that the establishment of the latter charge will promote increased efficiency on the part of consignors and consignees in the receipt and delivery of shipments. This in turn should result in more efficient use of carrier equipment through a reduction in nonproductive time, with consequent improvement of overall operating results.

The other changes proposed in Item No. 240, including the modification suggested at the hearings, will clarify the item and simplify its application.

It has been shown to be desirable also to revise the alternative rate items of the East Bay, Los Angeles and San Diego drayage tariffs as proposed in the petitions herein, subject to the clarification of the East Bay tariff item as suggested at the hearings, and further subject to one reservation with respect to all three of the tariff items in question. The proposed plan of revision for these items is desirable from the standpoint of consistency and uniformity with the corresponding provisions of Minimum Rate Tariff No. 2.

The above-indicated reservation we have concerning the proposed drayage tariff revisions relates to the "exception" which would bar the alternative application of common carrier rates when origin and destination are in a single city. In directing the Commission's attention to the fact that the City Carriers' Act contains no requirement corresponding to Section 3663 of the Highway Carriers' Act, petitioner apparently intends that the proposed exception would operate only against city carrier movement. Such, however, would not be the case. The exception would also exclude from the application of the alternating rate provisions movements between two points in a single city via a route part of which is outside that city. Such a route would be that of a highway carrier, as defined in Section 3511 of the Highway Carriers' Act. To the extent that the proposed "exception" would exclude such movements it would be in contravention of Section 3663 of that act.

With respect to the effect of the proposed "exception" on city carrier movements, it is to be observed that such movements are presently subject to the use of common carrier rates where such rates produce lower charges than result under the rates specifically

A. 45661, C. 5432 (Pet. 306), et al. YPO published in the minimum rate tariffs here under consideration, and have enjoyed such alternative application rates ever since the respective minimum rate tariffs were first established. The fact that the City Carriers' Act contains no provision corresponding to Section 3663 of the Highway Carriers' Act leaves the Commission free to provide for the rate alternation, or not, as the needs of commerce may require. The evidence adduced in support of the proposed exception is not persuasive and the latter should not be incorporated in the drayage tariffs. Upon careful consideration of the record we find as follows: The revised charges of 4 cents per 100 pounds and 2 cents per 100 pounds and the other revised provisions, including the clarification hereinbefore mentioned, sought to be established in Item No. 240 of Minimum Rate Tariff No. 2 are reasonable and justified. 2. The revised charges and other provisions, including the clarification hereinbefore mentioned, sought to be established in Item No. 130 of Minimum Rate Tariff No. 1-B are, except as otherwise provided in Finding 5, reasonable and justified. 3. The revised charges and other provisions sought to be established in Item No. 140 of Minimum Rate Tariff No. 5 are. except as otherwise provided in Finding 5, reasonable and justified. 4. The revised provisions sought to be established in Item No. 180 of Minimum Rate Tariff No. 9-A are, except as otherwise provided in Finding 5, reasonable and have been justified. 5. The "exception", sought to be established in the minimum rate tariff items specified in Findings 2, 3 and 4, which would -14-

A. 45661, C. 5432 (Pet. 306), et al. YPO prohibit the alternative use of common carrier rates when origin and destination of a shipment are within a single city, has not been justified and should not be adopted. 6. The increases sought by the rail lines in Application No. 45661 are justified. 7. The accessorial charge of 2 cents per 100 pounds and the revised rates reflecting that charge, sought to be established by the rail lines, are reasonable and are justified by transportation conditions. 8. Applicants in Application No. 45661 should be directed to clarify subparagraph (1) of Note 2 in Item No. 340 series of Pacific Southcoast Freight Bureau Tariff No. 294-D, so as to read the same as paragraph (b)(2)(a) of Note 1 in Item No. 240 of Minimum Rate Tariff No. 2 as revised in the tariff pages which are incorporated in the order which follows. Based upon the foregoing findings of fact we conclude that the petitions herein, as amended, should be granted to the extent set forth in the minimum rate tariff pages established pursuant to the orders herein, and that in all other respects the petitions should be denied. We further conclude that Application No. 45661, as amended, should be granted and that Pacific Southcoast Freight Bureau Tariff No. 294-D should be clarified as set forth in Finding & above. In order to avoid duplication of tariff distribution, Minimum Rate Tariffs Nos. 1-B, 5 and 9 will be amended by separate orders. -15-

## ORDER

# IT IS ORDERED that:

- 1. Minimum Rate Tariff No. 2 (Appendix D of Decision No. 31606 as amended) is further amended by incorporating therein, to become effective April 25, 1964, Twenty-fourth Revised Page 26, stached 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 April 25, 1964; 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. Applicants in Application No. 45661 are authorized to publish and file changes in Item No. 340 series of Pacific South-coast Freight Bureau Tariff No. 294-D as set forth in said application, as amended. Said applicants are directed to clarify said Item No. 340 series in the manner set forth in Finding 8, above. Tariff publications authorized and required to be made as a result of this ordering paragraph may be made effective not carlier than

A. 45661, C. 5432 (Pet. 306), et al. YPO 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 -17A. 45661, C. 5432 (Pet. 306), et al. YPO

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 // President

President

Lucette Commissioners

Commissioner Frederick B. Holoboff

present but not voting.

A. 45661

306)

et. 49)

5439 (Pet. 29)

5441 (Pet. 72)

### DISSENTING OPINION OF COMMISSIONER GROVER

With respect to the drayage tariffs, the decision recites that the proposed revision is "desirable from the standpoint of consistency and uniformity with the corresponding provisions of Minimum Rate Tariff No. 2." Nevertheless, neither the proposal nor the decision would achieve consistency and uniformity, for they omit from the drayage tariffs the charge of 2¢ per 100 pounds when the shipper assists in the loading and unloading. No reason for this lack of consistency and uniformity is presented in the decision, and petitioner offered only negligible explanation when the question was raised at the hearing. On this record, the 2¢ proposal should be made applicable to the three drayage tariffs.

City carriers should not be given the alternative of applying common carrier rates for city carrier movements. Although the Legislature has required such alternative rates for radial highway carrier operations (Public Utilities Code §3663), it has included no such provision for city carrier operations. The statutes governing these two types of carriers are in pari materia, and we must assume that the Legislature acted deliberately in making this distinction. The majority decision, however, comes to the startling conclusion that the absence of a statute requiring alternative rates leaves the Commission "free to provide for the rate alternation, or "It's not, as the needs of commerce require."

Wholly aside from the refusal to accept legislative direction with respect to alternative rates, the decision is significant for the standard allegedly used in adopting the alternative rate rule. Heretofore, our standard has most frequently been said to be cost;

A. 45661 C. 5432 (2t. 306 C. 5435 (2t. 49)

C. 5439 (Pet. 29)
C. 5441 (Pet. 72)

repeatedly and emphatically, minimum rate proposals not based on complete cost data have been rejected. This time, however, the standard is suddenly "the needs of commerce" -- a wide-open concept which could be used to justify anything. Like consistency and uniformity, cost criteria apparently are easily abandoned when they become inconvenient hurdles in the rate-fixing process.

Even the needs of commerce receive casual treatment from the Commission majority. We are told no more than that the case against alternative rates is "not persuasive." This is not the explanation of our decisions which the law requires us to supply. (See Calif. Motor Transport Co. v. Pub. Util. Comm., 59 Cal. 2nd 270, 274-275.)

March 18, 1964.

Twenty-third Revised Page .... 26

SECTION NO. 1 - RULES AND RECULATIONS OF GENERAL APPLICATION (Continued)

ACCESSORIAL SERVICES NOT INCLUDED IN COMMON CARRIER RATES

In the event under provisions of Items Nos. 200 to 230, inclusive, a rate of a common carrier is used in constructing a rate for highway

In the event under 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):

- (1) For either loading or unloading of carrier's equipment:
  - (a) 2¢ per 100 pounds assessed on the weight on which transportation charges are computed when the shipment is loaded into or unloaded from the carrier's equipment by the consignor or consignee with the physical assistance of a single carrier employee (either a driver or a helper) by use of power equipment, as described in Item No. 11, furnished by the consignor or consignee without expense to carrier, provided the Shipping Document (Freight Bill) issued pursuant to Item No. 255 indicates that the shipment was loaded and/or unloaded under said circumstances (see Notes 1, 2, 3 and 4);
  - (b) 4¢ per 100 pounds assessed on the weight on which transportation charges are computed when the shipment is loaded into or unloaded from the carrier's equipment other than as provided in paragraph (1)(a) or when information required by paragraph (1)(a) is not contained on the Shipping Document (Freight Bill), except as provided in Notes 1, 2 and 3.
- (2) For other accessorial services (including the furnishing of additional helpers as governed by Item 140) for which charges are provided in this tariff, the additional charge or charges so provided.
- (3) Split pickup or split delivery shall not be accorded unless included in the common carrier rate (see Items Nos. 220 and 230 for exceptions).

NOTE 1.—The charges for loading and/or unloading shall apply in all circumstances except:

- (a) When rates provided in this tariff are applied in combination with common carrier rates under the provisions of:
  - (1) Paragraph (a) of Item No. 210, only the accessorial charge for unloading shall be assessed,
  - (2) Paragraph (b) of Item No. 210, only the accessorial charge for loading shall be assessed, and
  - (3) Paragraph (c) of Item No. 210, no charge for either loading or unloading shall be assessed.

ø\$¢ 240

- (b) When the shipment is loaded into and/or unloaded from the carrier's equipment as follows:
  - (1) On shipments of any commodity, in bulk, when loaded and/or unloaded by gravity,
  - (2) By the Consignor and/or Consignee as follows:
    - (a) With power equipment, as described in Item No. 11, furnished and used without expense to carrier, and when no services are performed at carrier expense, or
    - (b) When the carrier's equipment is a trailer or semitrailer left for loading and/or unloading without the presence of carrier's employees.
  - (3) Provided that on shipments described under subparagraphs (1) and (2) of this Note 1(b) 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 said subparagraphs.

NOTE 2.-Where the minimum weight is less than 10,000 pounds, the leading or unloading provisions of this item will not apply and Item No. 120 will apply.

NOTE 3.—For loading or unloading of granulated sugar in bulk, the provisions of this item will not apply.

NOTE 4.-The labor performed by the single carrier employee is restricted to work within or on carrier's equipment.

ø Change ) ♦ Increase ) Decision No. 65951. ♦ Reduction )

#### EFFECTIVE APRIL 25. 1964

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