

ORIGINAL

Decision No. 68458

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into the rates, rules and 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. 352
(Filed August 14, 1964)

A. D. Poe, C. D. Gilbert and H. F. Kollmyer, for California Trucking Association, petitioner.
W. A. Gough, for Certain-Teed Products Corp.;
V. P. Staunton, for Flintkote Company;
P. A. Buck, for Douglas Oil Company; and
Frank Davis, for Standard Oil Company of California, interested parties.
Henry E. Frank and E. M. Jennings, for the Commission Staff.

O P I N I O N

Item No. 377.5 of Minimum Rate Tariff No. 2 names exception ratings for the transportation of petroleum and petroleum products in packages. By this petition, the California Trucking Association seeks revisions in these exception ratings.

Public hearing was held before Examiner Turpen at San Francisco on October 20, 1964. Members of the Commission staff assisted in developing the record.

Item No. 377.5 provides various exception ratings on petroleum and petroleum products in packages based on different minimum weights as follows: 90 percent of 4th class, 20,000 pounds; Class B, 30,000 pounds; Class C (on other than asphalt) and Class D (asphalt only), 40,000 pounds. Petitioner proposes

addition of a 5th class rating, minimum weight 30,000 pounds and increasing the minimum weight of the Class B rating to 36,000 pounds and of the Class C rating to 42,000 pounds.^{1/}

A witness from petitioner's division of transportation economics testified that shipments of petroleum and petroleum products in packages have handling and transportation characteristics similar to those of other commodities in Minimum Rate Tariff No. 2 that now have exception ratings the same as proposed here.^{2/} He presented exhibits showing that the weights and densities of various packaged petroleum products are comparable to the weights and densities of typical packages of canned goods.

The present exception ratings were established by Decision No. 58401, dated May 12, 1959, in Case No. 5432, and replaced specific commodity rates that were then in effect. The ratings were selected as the corresponding class rates were substantially at the same levels as cost and rate studies showed that the level of the commodity rates should be.

No cost studies of the movement of packaged petroleum products have been made since 1959. Petitioner's witness said that recent observations have shown that the handling of packaged petroleum and petroleum products and canned goods is similar and that they should move under the same rates.

^{1/} Petition also proposed increasing the Class D minimum weight to 42,000 pounds, but when it was developed that the present rating and minimum weight on asphalt is carried in Item No. 377.5 to preserve the present classification rating, the proposal was amended to retain the 40,000 pound minimum weight for shipments of asphalt.

^{2/} For example: canned goods, animal feed and foodstuffs for human consumption.

It appears, and we find that the transportation characteristics of packaged petroleum and petroleum products and canned goods are sufficiently similar to justify like exception ratings. We further find that the increases in rates resulting from the change in exception ratings are justified. We conclude that petitioner's proposals should be adopted.

O R D E R

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 February 20, 1965, Third Revised Page 38-C, which revised page is attached hereto and by this reference made a part hereof.
2. 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 shall be made effective not later than February 20, 1965.
3. 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

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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.

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 13th day of January, 1965.

Fredrick B. Hallock
President

Arthur E. Mitchell

George E. Crover

William A. Bennett
Commissioners

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)	
	EXCEPTIONS TO GOVERNING CLASSIFICATION AND EXCEPTION RATINGS TARIFF (Continued)	Class Rating
377.5	Petroleum and Petroleum Products, in packages, as described in and subject to the provisions of Item No. 723. Minimum weight, 20,000 pounds Minimum weight, 30,000 pounds Minimum weight, 36,000 pounds Minimum weight, 42,000 pounds Minimum weight, 40,000 pounds (1) Not applicable on asphalt (asphaltum), natural, by-product or petroleum, liquid (other than paint, stain or varnish) or solid. (2) Applicable only on asphalt (asphaltum), natural, by-product or petroleum, liquid (other than paint, stain or varnish) or solid.	90% of 4 * 05 B (1) C (2) D
377.6	Pies, not otherwise indexed by name in the Governing Classification, not baked, frozen. Less truckload Minimum weight 20,000 pounds Minimum weight 36,000 pounds	2 4 5
378	Pipe, cast iron pressure, not less than 12 feet and not more than 18½ feet in length, in straight shipments or in mixed shipments with cast iron pressure pipe fittings. Pipe, cast iron soil, not less than 2 feet and not more than 11 feet in length, in straight shipments, or in mixed shipments with cast iron soil pipe fittings. Minimum weight 36,000 pounds	5
378.2	Plasterboard joint compound, with or without applicator or paper, metal or fabric tape. Less truckload	4

δ Change)
* Addition) . Decision No. 68458
◇ Increase)

EFFECTIVE FEBRUARY 20, 1965

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

Correction No. 1566