

**ORIGINAL**

Decision No. 68711

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of National Motor Freight Traffic Association, Inc., Agent, for and on behalf of certain highway common carriers and express corporations, for authority to cancel participation in National Motor Freight Classification A-7, and to adopt National Motor Freight Classification A-8 and its California Supplement.

Application No. 47289  
(Filed January 26, 1965)

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. 368)  
(Filed January 26, 1965)

And Related Matters.

Case No. 5435  
(Petition for Modification No. 62)  
Case No. 5441  
(Petition for Modification No. 85)  
Case No. 5603  
(Petition for Modification No. 23)  
Case No. 5439  
(Petition for Modification No. 35)  
Case No. 7858  
(Petition for Modification No. 2)  
(Filed January 26, 1965)

Arlo D. Poe and N. F. Behme, Jr., for National Motor Freight Traffic Association, Inc., applicant.  
A. D. Poe, J. C. Kaspar and H. F. Kollmyer, for California Trucking Association, petitioner.  
John F. McSweeney, Armand Karp, and C. J. Boddington, for various interested highway carriers, respondents.  
E. R. Chapman, David B. Porter, C. B. Seamans, Eugene A. Read, Wm. Paul Tartar, Russell Bevans, Gordon Larsen, Pete J. Antonino, and G. A. Rodgers, for various shippers and organizations, interested parties.  
Arthur F. Burns, for the Commission staff.

O P I N I O N

By Application No. 47289, the National Motor Freight Traffic Association seeks authority, on behalf of various common carriers named in the application, to cancel and discontinue participation in National Motor Freight Classification A-7, and supplements thereto, including National Motor Freight Classification A-7 (Cal.). Concurrently, applicant requests authority on behalf of such common carriers to adopt, as their governing tariff classification, National Motor Freight Classification A-8, and A-8 (Cal.) and supplements thereto and reissues thereof.

By the subject numbered petitions, the California Trucking Association requests that National Motor Freight Classification A-7 and its California Supplement A-7 (Cal.) be discontinued as the governing classification for various of the Commission's minimum rate tariffs. Concurrently, upon such discontinuance, petitioner requests the adoption of National Motor Freight Classification A-8 and its California Supplement A-8 (Cal.) as the governing classification for certain of the Commission's minimum rate tariffs.<sup>1/</sup>

Public hearing was held before Examiner Gagnon at San Francisco on February 10, 1965, on which date the matters were taken under submission. The Commission's Transportation Division staff assisted in the development of the record.

1/ The tariffs are Minimum Rate Tariff No. 2 (General Commodities, Statewide), City Carriers' Tariff No. 1-A (San Francisco Drayage), Minimum Rate Tariff No. 1-B (East Bay Drayage), Minimum Rate Tariff No. 5 (Los Angeles Drayage), Minimum Rate Tariff No. 9-B (San Diego Drayage), Minimum Rate Tariff No. 10 (Cement, Statewide), Minimum Rate Tariff No. 11-A (Uncrated New Furniture) and Exception Ratings Tariff No. 1.

Application No. 47289

The functions and procedures pursued by the National Motor Freight Traffic Association, Inc., Agent, in the publication and maintenance of the National Motor Freight Classification are generally well known to both shippers and carriers.<sup>2/</sup> The Chairman of the National Classification Board testified on behalf of applicant's sought relief which is specifically set forth in the form of exhibits appended to the application.<sup>3/</sup> The Chairman for the Board explained that it was the customary policy of applicant to periodically reissue its classification in order to reduce outstanding supplemental matter in accordance with state and federal tariff regulations. The witness explained that whenever the classification is reissued every effort is made to include only those classification matters for which prior regulatory authority has been obtained in order to avoid the possibility of having either the classification placed under suspension or a particular item or rule contained therein vacated by a state or federal regulatory agency. For this reason, changes in the classification which may have a substantive effect upon carrier revenues are, in the first instance, published in a supplement prior to incorporation into the main text of the classification.

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<sup>2/</sup> A resume of the functions and procedures of applicant is summarized in Decision No. 68324, dated December 9, 1964, in Application No. 46909.

<sup>3/</sup> Exhibit A - National Motor Freight Classification A-8.  
Exhibit B - National Motor Freight Classification A-8 (Cal.).  
Exhibit C - Summary of Changes.  
Exhibit D - Proposed Tariff Changes.

National Motor Freight Classification A-8 is, therefore, largely a reissue, under a single cover, of the prior classification A-7 and all outstanding supplemental matter thereto. Similarly, National Motor Freight Classification A-8 (Cal.), as governed by National Motor Freight Classification A-8, represents, in the main, a reissue of prior authorized Classification A-7 (Cal.). A summary of the proposed classification changes in National Motor Freight Classification A-8 and A-8 (Cal.), not previously considered or authorized by this Commission is set forth, together with applicant's reasons therefor, in Exhibit C, appended to the application. The Chairman of the National Classification Board also testified relative to the basis and justification for such additional proposed classification changes. He stated that the revisions pertain generally to (1) format of classification; (2) correction of publishing errors and omissions; (3) clarification of existing descriptions of articles; and (4) establishment of specific ratings for newly designed or manufactured articles.

The additional classification revisions proposed by applicant were assertedly authorized by the National Classification Board under established procedures, including public hearings conducted by the Board in California. No appeals are pending before the National Classification Committee and the period for filing such appeals has expired. The National Motor Freight Classification A-8 was issued January 22, 1965, and has been duly filed with the Interstate Commerce Commission to become effective in connection with interstate traffic on April 1, 1965.

#### The Petitions

The California Trucking Association urges the adoption of National Motor Freight Classification A-8 and its California

Supplement A-8 (Cal.) as the governing classification of the Commission's various minimum rate tariffs currently subject to National Motor Freight Classification A-7 (Cal.) as governed by National Motor Freight Classification A-7. Petitioner asserts that such action will establish a just, reasonable, and nondiscriminatory freight classification which reflects current circumstances and conditions affecting the transportation of property subject to the aforesaid minimum rate tariffs of the Commission. Moreover, petitioner avers that the adoption and use of National Motor Freight Classification A-8 (Cal.), as governed by National Motor Freight Classification A-8, will cause no substantial disturbance of the present minimum rate structure.

In view of the interrelationship between National Motor Freight Classification A-8 and its California Supplement A-8 (Cal.), the California Trucking Association strongly urges that the proposed adoption of the aforementioned classification, in connection with California intrastate traffic, be afforded a common effective date of April 1, 1965 as anticipated nationally. The petitioner, therefore, requests whatever short notice authority is necessary to achieve this latter objective.

Applicant's proposed adoption of National Motor Freight Classification A-8 and its California Supplement A-8 (Cal.) is assertedly responsive to the announced needs of both shippers and carriers, and appears to be reasonably developed within the framework of criteria previously set forth in Decision No. 68324, supra.

In classification proceedings of this kind, the Commission has consistently held that ratings found reasonable and justified for common carriers participating in the classification

were also reasonable and justified to govern the minimum rates subject to the ratings in that same classification. The same course of action will be pursued here, as recommended by the staff, thereby preserving the basic objectives of the Commission's minimum class rate program.

Certain ordering language has been proposed with respect to common carriers maintaining exception ratings which produce rates or charges lower in volume or effect than those which may be authorized herein. In Decision No. 64946, dated February 13, 1963, in Application No. 44480 et al., the Commission held, under similar circumstances, that such ordering language was unnecessary, since it merely reiterated the same requirements contained in the Commission's outstanding minimum rate orders.

The period of time between the publication of the changes in classification and the date on which the changes become effective ordinarily is not sufficient to enable the common carriers to effect changes in their tariffs. In order to afford common carriers reasonable opportunity to comply with the order issued herein, the staff recommends that such carriers be authorized to continue to maintain said exception ratings for a period not to exceed sixty days after the effective date of the classification revisions established in the National Motor Freight Classification. The recommendation presents a practical solution to a tariff publishing problem and will be adopted.

The Commission finds that:

1. The ratings, rules, and regulations named in National Motor Freight Classification A-8 (Cal.) as governed by National Motor Freight Classification A-8, as proposed by applicant and

petitioner herein, should replace National Motor Freight Classification A-7 (Cal.) as governed by National Motor Freight Classification A-7.

2. The proposed classification revisions set forth in Application No. 47289 are reasonable and to the extent that said ratings, rules, and regulations will result in increases, such increases are justified.

3. Common carriers named in Application No. 47289 should be authorized to adopt National Motor Freight Classification A-8 and National Motor Freight Classification A-8 (Cal.) in lieu of National Motor Freight Classification A-7 and National Motor Freight Classification A-7 (Cal.).

4. The proposed ratings, rules, and regulations which applicant will be authorized to establish, except to the extent that said ratings, rules, and regulations are different from and are superseded by present exceptions contained in the respective minimum rate tariffs and the governing exception sheet, are suitable to govern the minimum rates established by the Commission.

5. The rates and charges resulting from the application of the aforesaid 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 the applicable minimum rate tariffs.

6. The departure 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 on the above findings, we conclude that the proposed classification changes set forth in Application No. 47289 should be authorized, and that such ratings, rules, and regulations should be adopted and approved to govern the minimum rates established by the Commission. We also conclude that participating common carriers in applicant's National Motor Freight Classification A-8 and A-8 (Cal.) should be authorized to depart from the provisions of Article XII, Section 21 of the Constitution of the State of California and Section 460 of the Public Utilities Code, to the extent necessary to adjust long- and short-haul departures now maintained under the outstanding authorizations.

The necessary amendments to Minimum Rate Tariff No. 2 will be made in the order which follows. Amendments to the other minimum rate tariffs and to Exception Ratings Tariff No. 1 will be made by separate orders to avoid duplication of tariff distribution.

Other minor changes not directly related to Application No. 47289 or Petition for Modification No. 368 will be made in some of the tariff pages herein being revised for reasons of tariff clarification only.

O R D E R

IT IS ORDERED that:

1. National Motor Freight Traffic Association, Inc., Agent, on behalf of participating common carriers in National Motor Freight Classification A-8 (Cal.) as governed by National Motor Freight Classification A-8, is authorized to establish and publish the classification ratings, rules, and regulations set forth in Application No. 47289.



2. The classification ratings, rules, and regulations authorized herein are approved and adopted as the just, reasonable and nondiscriminatory ratings, rules, and regulations to govern the minimum rates, rules, and regulations promulgated by the Commission in City Carriers' Tariff No. 1-A (San Francisco Drayage), Minimum Rate Tariff No. 1-B (East Bay Drayage), Minimum Rate Tariff No. 2 (General Commodities, Statewide), Minimum Rate Tariff No. 5 (Los Angeles Drayage), Minimum Rate Tariff No. 9-B (San Diego Drayage), Minimum Rate Tariff No. 10 (Cement, Statewide), Minimum Rate Tariff No. 11-A (Furniture, Statewide).

3. 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.

4. Minimum Rate Tariff No. 2 (Appendix D to Decision No. 31606, as amended) is hereby further amended by incorporating therein, to become effective April 1, 1965, Twenty-eighth Revised Page 11, Sixth Revised Page 51-CC, and Ninth Revised Page 51-DD, which revised pages are attached hereto and by this reference are made a part hereof.

5. The tariff publications required or authorized to be made as a result of the order herein may be made effective not earlier than five days after the effective date of this order on not less than five 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 five days after the date hereof.

Dated at San Francisco, California, this 9th day of March, 1965.

Frederick B. Holbrook  
President

John J. Mitchell

George E. Hoover

Augustus

Sullivan W. Blum  
Commissioners

Item  
No.SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL  
APPLICATIONDEFINITION OF TECHNICAL TERMS  
(Items Nos. 10, 11 and 12)

ARMORED CAR means any motor truck and/or other highway vehicle which has been armored with bullet resistant metal and/or bullet proof glass, and which is manned by an armed crew.

CARRIER means a radial highway common carrier, a highway contract carrier or a cement contract carrier as defined in the Highway Carriers' Act, or a household goods carrier as defined in the Household Goods Carriers Act.

CARRIER'S EQUIPMENT means any motor truck or other self-propelled highway vehicle, trailer, semi-trailer, or any combination of such highway vehicles operated as a single unit.

COMMON CARRIER RATE means any intrastate rate or rates of any common carrier or common carriers, as defined in the Public Utilities Act, lawfully on file with the Commission and in effect at time of shipment; any interstate or foreign rate or rates of any common carrier railroad or railroads applying between points in California by an interstate or foreign route, lawfully in effect at time of shipment; also any interstate or foreign rate or rates of any common carrier or common carriers, as defined in the Public Utilities Act, applying between points in California and in effect at time of shipment and covering transportation exempt from rate regulation of the Interstate Commerce Commission under Section 203(b)(6) or Section 203(b)(8) of Part II of the Interstate Commerce Act.

CONSIGNOR means the person, firm or corporation shown on the shipping document as the shipper of the property received by the carrier for transportation.

DANGEROUS ARTICLES means articles described in Motor Carriers' Explosives and Dangerous Articles Tariff 11, Cal.P.U.C. 6, of American Trucking Associations, Inc., Agent, and supplements thereto or reissues thereof.

DISTANCE TABLE means Distance Table No. 5.

ESCORT SERVICE means the furnishing of pilot cars or vehicles by a carrier as may be required by any governmental agency to accompany a shipment for highway safety.

ESTABLISHED DEPOT means a freight terminal owned or leased and maintained by a carrier for the receipt and delivery of shipments.

EXCEPTION RATINGS TARIFF means Exception Ratings Tariff No. 1 issued by the Commission.

GOVERNING CLASSIFICATION means National Motor Freight Classification A-8 (Cal) as governed by National Motor Freight Classification A-8.

INDEPENDENT-CONTRACTOR SUBHAULER means any carrier who renders service for a principal carrier, for a specified recompense, for a specified result, under the control of the principal as to the result of the work only and not as to the means by which such result is accomplished.

MULTIPLE LOT SHIPMENT means a shipment transported in accordance with the provisions of Item No. 85.

PALLETIZED SHIPMENT means a shipment tendered to and transported by the carrier on pallets (elevating-truck pallets or platforms or lift-truck skids, with or without standing sides or ends, but without tops).

PERMIT SHIPMENT means a shipment which because of its width, length, height, weight or size requires special authority from a governmental agency regulating the use of highways, roads or streets for the transportation of such shipment in whole or in part.

PICKUP AND DELIVERY CHARGE means the full charge applicable without the deduction authorized by Item No. 110.

POINT OF DESTINATION means the precise location at which property is tendered for physical delivery into the custody of the consignee or his agent. All points within a single industrial plant or receiving area of one consignee shall be considered as one point of destination. An industrial plant or receiving area of one consignee shall include only contiguous property which shall not be deemed separate if intersected only by public street or thoroughfare.

POINT OF ORIGIN means the precise location at which property is physically delivered by the consignor or his agent into the custody of the carrier for transportation. All points within a single industrial plant or shipping area of one consignor shall be considered as one point of origin. An industrial plant or shipping area of one consignor shall include only contiguous property which shall not be deemed separate if intersected only by public street or thoroughfare.

(Continued in Item No. 11.)

Change, Decision No. **68711**

EFFECTIVE APRIL 1, 1965

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.  
Correction No. 1572

Item No.	SECTION NO. 3		COMMODITY RATES (Continued) In Cents Per 100 Pounds			
(Rates shown in this item will not apply to transportation between points for which rates are provided in Item No. 710.)						
LUMBER AND FOREST PRODUCTS, treated or untreated, not finished beyond sanding and priming (See Notes 1 and 2), viz.:						
		Cross Arms, wooden Piling Poles Posts Shakes Shingles Shook, Box or Crate	Boards (See Note 3) Plywood (See Note 4) Sheets (See Note 3) Veneering (See Note 4)		Lumber Railroad Ties Timbers	
<u>MILES</u>		R A T E S				
	But Not Over	Minimum Weight (In Pounds) 40,000 (See Note 5)	Minimum Weight (In Pounds) 34,000 44,000		Minimum Weight (In Pounds) 34,000 44,000	
△690	0 3	8½	8½	6½	6	5
	3 5	9½	9½	7½	7	6
	5 10	11	10½	9	8½	7
	10 15	12½	12	10	9½	8½
	15 20	13½	13½	11	11½	9½
	20 25	14½	15	12½	13	11
	25 30	16½	16½	13½	14	12
	30 35	17½	17½	14½	15	12½
	35 40	18½	18½	15½	16½	13½
	40 45	19½	19½	17	17½	14½
	45 50	20½	20½	18	18½	15½
	50 60	23	24	19	20½	17½
	60 70	25	25	20	21½	18½
	70 80	26	27½	21	24½	19½
	80 90	28½	29½	22½	25½	20½
	90 100	29½	30	24½	28	21½
	100 110	31	(1)	27	(1)	23½
	110 120	33		28½		25½
	120 130	34		30		28½
	130 140	36		32		30
	140 150	38		33		32
	150 160	40		35		33
	160 170	42		37		35
	170 180	44		39		36
	180 190	46		41		38

190	200	48	43	40
200	220	50	45	41
220	240	54	47	43
240	260	56	49	44
260	280	59	51	46
280	300	62	55	48
300	325	65	57	51
325	350	67	59	56
350	375	69	62	59
375	400	71	66	62
400	425	75	69	64
425	450	78	72	68
450	475	81	76	71
475	500	84	78	74
500	525	88	81	77
525	550	91	84	80
550	575	95	88	83
575	600	98	91	86
600	625	(2)	93	90
625	650		97	93
650	675		100	97
675	700		103	100
700	725		106	103
725	750		109	106
750	—		(3)	(3)

△(1) Over 100 miles, Class B rates apply subject to minimum weight of 34,000 pounds.

△(2) Over 600 miles, Class B rates apply subject to minimum weight of 40,000 pounds.

(3) Add to the rate for 750 miles, 3 cents per 100 pounds for each 25 miles or fraction thereof in excess of 750 miles.

NOTE 1.—With shipments of the commodities listed above, there may be included, at the rates provided herein, in quantities not to exceed 10 percent of the weight of the entire shipment, articles listed under the headings: "Lumber Group" and "Building Woodwork Group" in the Governing Classification.

NOTE 2.—Length not to exceed 24 feet, except Poles and Piling which shall not exceed 50 feet in length.

NOTE 3.—Applies on Boards or Sheets, flat, sawdust or ground wood, preservatively treated or not treated, but not plasticized, with or without added resin binder not exceeding 10 percent by weight, compressed. Metal Molding or Fasteners may be included in the shipment with Boards or Sheets but shall not exceed 5 percent of the weight of the entire shipment.

NOTE 4.—Applies on Plywood or Veneering, with or without paper or pulpboard facing or backing.

NOTE 5.—In connection with straight shipments of Poles and Piling, the minimum weight shall be 37,000 pounds.

△ Change, neither increase ) Decision No. **68711**  
nor reduction )

EFFECTIVE APRIL 1, 1965

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

Correction No. 1573

Item No.	SECTION NO. 3	COMMODITY RATES (Continued) In Cents Per 100 Pounds			
	LUMBER AND FOREST PRODUCTS, treated or untreated, not finished beyond sanding and priming (See Notes 1 and 2), viz.: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;">               Boards (See Note 3)                Cross Arms, wooden                Lumber                Piling                Plywood (See Note 4)                Poles                Posts             </td> <td style="width: 50%; vertical-align: top;">               Railroad Ties                Shakes                Sheets (See Note 3)                Shingles                Shook, Box or Crate                Timbers                Veneering (See Note 4)             </td> </tr> </table>			Boards (See Note 3) Cross Arms, wooden Lumber Piling Plywood (See Note 4) Poles Posts	Railroad Ties Shakes Sheets (See Note 3) Shingles Shook, Box or Crate Timbers Veneering (See Note 4)
Boards (See Note 3) Cross Arms, wooden Lumber Piling Plywood (See Note 4) Poles Posts	Railroad Ties Shakes Sheets (See Note 3) Shingles Shook, Box or Crate Timbers Veneering (See Note 4)				
	Territorial Application: Rates named in this item apply between points of origin and destination, all of which are located within 150 constructive miles of Metropolitan Zone 229 computed in accordance with the method provided in the Distance Table.				
	MILES	RATES			
		Minimum Weight			
	But Not Over	20,000 Pounds	40,000 Pounds		
Δ 710	Over				
	0	9½	6½		
	3	10	8½		
	5	11½	9½		
	10	14	10		
	15	16½	11½		
	20	18½	12½		
	25	20½	13½		
	30	23	14½		
	35	25	15½		
	40	27½	17		
	45	30	18		
	50	(1)	20½		
	60		23		
	70		25		
	80		27½		
	90		28½		
	100		29½		
	110		30		
	120		32		
	130		33		
	140		34		
	150		(2)		

- (1) Over 50 miles, 4th Class rates apply.  
Δ(2) Over 150 miles, rates in this item do not apply.  
Apply rates in Item No. 690 or Class B rates, subject to a minimum weight of 40,000 pounds, whichever are lower.

NOTE 1.-With shipments of the commodities listed above, there may be included, at the rates provided herein, in quantities not to exceed 10 percent of the weight of the entire shipment, articles listed under the headings: "Lumber Group" and "Building Woodwork Group" in the Governing Classification.

NOTE 2.-Length not to exceed 24 feet, except Poles and Piling which shall not exceed 50 feet in length.

NOTE 3.-Applies on Boards or Sheets, flat, sawdust or ground wood, preservatively treated or not treated, but not plasticized, with or without added resin binder not exceeding 10 percent by weight, compressed. Metal Molding or Fasteners may be included in the shipment with Boards or Sheets but shall not exceed 5 percent of the weight of the entire shipment.

NOTE 4.-Applies on Plywood or Venecring, with or without paper or pulpboard facing or backing.

Δ Change, neither increase  
nor reduction ) Decision No. 68711

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San Francisco, California.

Correction No. 1574