

**ORIGINAL**Decision No. 69455

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation  
 into the rates, rules and regula-  
 tions, 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. 371

## AND RELATED MATTERS

Case No. 5433  
 Petition for Modification No. 20  
 Case No. 5436  
 Petition for Modification No. 68  
 Case No. 5438  
 Petition for Modification No. 49  
 Case No. 5440  
 Petition for Modification No. 24  
 Case No. 5604  
 Petition for Modification No. 14  
 Case No. 7857  
 Petition for Modification No. 4

A. D. Poe, J. C. Kaspar and H. F. Kollmyer, for  
 California Trucking Association, petitioner.  
Eugene A. Read, for California Manufacturers  
 Association, protestant.  
Ralph Hubbard, for California Farm Bureau Feder-  
 ation; E. R. Chapman, for Foremost Dairies, Inc.;  
E. F. Westberg, for California Retailers Asso-  
 ciation; K. L. Whitehead, for Kraft Foods, Inc.;  
Thomas E. Carlton, for Morton Salt Co.; L. E.  
Schmitt, for American Forest Products, Inc.; and  
David P. Porter, for Cannery League of Cali-  
 fornia, interested parties.  
Robert Walker and George H. Morrison, for the  
 Commission staff.

O P I N I O N

A duly noticed public hearing was held and the matters  
 were submitted on June 3, 1965, before Examiner Mallory at San  
 Francisco.

In these petitions, California Trucking Association (CTA) alleges that the present provisions of the split pickup and split delivery rules<sup>1</sup> in the several minimum rate tariffs containing mileage rates were designed to be used with the provisions of Distance Table No. 4; that Distance Table No. 5 has replaced Distance Table No. 4; that with the adoption of metropolitan zones and metropolitan zone groups in Distance Table No. 5, the provisions of the minimum rate tariffs governing determination of constructive mileages for split delivery shipments create certain inequitable results; and that such provisions, therefore, should be revised.

Evidence was presented by the Director of CTA's Division of Transportation Economics. Other parties participated through cross-examination of this witness. California Manufacturers Association (CMA) protested the relief sought in the petitions.

The record shows that, under the present provisions of Distance Table No. 5 and the split delivery rules in the several minimum rate tariffs, mileage computations for split delivery shipments involving one or more components delivered to a point or points within a metropolitan zone and one or more components delivered to another point or points within the corresponding related mileage territory result in different constructive mileages than for a single shipment from the same point of origin as the split delivery shipment to the most distant point of destination of the split delivery shipment.

The record also shows that in some cases the split delivery constructive mileage would be less than, and in other cases more than, the mileage for a corresponding single shipment transported over the same route. Such gap or overlap in mileages

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<sup>1</sup> As the pertinent provisions of the rules governing the determination of constructive mileages for split pickup shipments and split delivery shipments are similar, references hereinafter to split delivery shipments also embrace split pickup shipments.

results from the computation of mileages to the basing point of the metropolitan zone in which the component is delivered for one segment of the route, and the computation of mileages from the basing point of the related metropolitan zone group for another segment of the route. In the instances where such basing points do not coincide and the metropolitan zone group basing point is nearer than the metropolitan zone basing point to the next beyond delivery point, a gap in mileages exists; conversely, when the basing point situation is reversed, an overlap in mileages exists.

In its petitions, CTA proposed that the split delivery rules in the several tariffs be amended to provide that the rate for the transportation of a split delivery shipment shall be no less than the rate applicable on a shipment other than a split delivery shipment of like kind and quantity of property from point of origin to that point of destination resulting in the highest rate for transportation.

It was developed at the hearing that the above proposal would provide relief when a gap in mileages exists, but would provide no relief when an overlap exists. At the suggestion of the Commission staff CTA submitted an alternate proposal which would remove both the gap and overlap features of the constructive mileage determination for split delivery shipments. The alternate proposal would provide that mileages shall be constructed to and from the basing point for the metropolitan zone group for each segment of a route to and from a point in a metropolitan zone. The alternate proposal was concurred in by CMA and the Commission staff. Such proposal appears reasonable and should be adopted.

We find that the present provisions of the Commission's minimum rate tariffs governing computation of constructive mileages for split delivery shipments result in unreasonable and discriminatory rates when such shipments include a component delivered to a point

within a metropolitan zone and also a component delivered to a point within the same related mileage territory; that such provisions should be modified to remove said discrimination; that the alternate proposal submitted by CTA to amend such tariff provisions will result in reasonable and nondiscriminatory minimum rates; and that increases in rates and charges resulting from said revised rules are justified.

We conclude that the rules herein found reasonable should be adopted. The minimum rate tariffs will be amended accordingly. In order to avoid duplication of tariff distribution, Minimum Rate Tariff No. 2 will be amended by the order herein, and Minimum Rate Tariffs Nos. 3-A, 8, 10, 12 and 14-A will be amended by separate orders. In Case No. 5436, Petition for Modification No. 69, CTA requests that the split delivery rule in Minimum Rate Tariff No. 6-A be canceled. This request is not opposed. Therefore, Petition for Modification No. 68 in Case No. 5436, herein, will be dismissed, without prejudice.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff No. 2 (Appendix D to Decision No. 31606, as amended) is hereby further amended by incorporating therein, to become effective September 4, 1965, Twentieth Revised Page 20-A and First Revised Page 20-C, attached hereto and by this reference made a part hereof.
2. The tariff rules established in ordering paragraph 1 hereof may also be established by common carriers in connection with the transportation of:
  - a. Commodities for which minimum rates have not been established, or
  - b. Commodities which are subject to higher rates than, or more restrictive provisions than, the minimum rates or provisions otherwise applicable.

3. 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 September 4, 1965; and 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.

4. Common carriers, in establishing and maintaining the rules authorized 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 hereby modified only to the extent necessary to comply with this order; and schedules containing the rules published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

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

6. Petition for Modification No. 68 in Case No. 5436 is dismissed without prejudice.

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

Dated at San Francisco, California, this 27th day of July, 1965.

Fredrick B. Holcomb  
President  
George T. Crower  
Morgan

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Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

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

Item  
No.SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL  
APPLICATION (Continued)SPLIT PICKUP  
(Items Nos. 160 and 161)

The rate for the transportation of a split pickup shipment shall be determined and applied as follows, subject to Note 1 in Item No. 161:

- §(a) Subject to the alternative provided in paragraph (c) of this item, distance rates shall be determined by the distance to point of destination from that point of origin which produces the shortest distance via the other point or points of origin. \*(See Exceptions 1 and 2).

EXCEPTION 1.—Add to the distance determined under the provisions of paragraph (a) above, 2 constructive miles for each point in excess of one located within:

- (a) a single metropolitan zone, or
- (b) a single incorporated city, including the extended area thereof, but not within a metropolitan zone, or
- (c) a single unincorporated community, including the extended area thereof, but not within a metropolitan zone, designated in the Distance Table as a red point, black point or numbered junction.

§160 \*EXCEPTION 2.—In the event that a shipment has component parts both within and without a mileage territory, the shortest distance shall be computed subject to the following provisions:

- (a) Between a point within a metropolitan zone and a point not within the same metropolitan zone group but within the Related Mileage Territory, use for constructive mileage determination for the point within the metropolitan zone, the mileage basing point for the applicable metropolitan zone group.
- (b) Between two or more metropolitan zones within the same metropolitan zone group, use for constructive mileage determination the mileage basing points for the individual metropolitan zones.
- (b) The carrier shall not transport a split pickup shipment unless prior to or at the time of the initial pickup, written information has been received from the consignor showing the name of the consignor, the points of origin and the kind and quantity of property in each component part of such shipment. Preparation by the shipper of the required single split pickup document referred to in paragraph (c) of this item, for execution by the shipper and carrier prior to or at the time of initial pickup, will constitute compliance with this paragraph.

- (c) At the time of or prior to the initial pickup, the carrier shall issue to the consignor a single split pickup document. It shall show the name of the consignor, points of origin, date of pickup, name of the consignee, point of destination and the kind and quantity of property of the entire shipment. In addition, a shipping document (see Item No. 255) shall be issued by the carrier to the consignor for each component part of the split pickup shipment (including the initial pickup) which shall give reference to the single split pickup document covering the entire shipment, by showing its date and number (if assigned a number), the name of the consignor, and such other information as may be necessary to clearly identify the single split pickup document.
- (d) If split delivery is performed on a split pickup shipment or a component part thereof, or if written information does not conform with the requirements of a paragraph (b) hereof, or if all of the component parts are not received by the carrier within a period of two calendar days, each component part of the split pickup shipment shall be rated as a separate shipment under other provisions of this tariff, except that those component parts which do conform with the requirements of this item shall constitute a separate split pickup shipment or shipments.
- (e) In determining the charge for a split pickup shipment, component parts may be rated as separate shipments from point or points of origin of such component parts to any point on the split pickup route (as provided in paragraph (a) hereof): provided that the written instructions furnished to the carrier under paragraph (b) hereof show (1) the component parts to be treated as separate shipments and (2) the points between which the separate shipment rates are to be applied. The additional charges provided in Note 1 shall apply to all component parts of the split pickup shipment rated in accordance with the provisions of this paragraph, provided, however, where two or more component parts are rated under rates provided in this tariff as separate shipments to the same point on the split pickup route, the aforesaid two or more components shall be considered as one split pickup and the charge therefor shall be at the combined weight of the aforesaid component parts.

(Continued in Item No. 161)

⚡ Change        )  
 \* Addition     )    Decision No. **69455**

EFFECTIVE SEPTEMBER 4, 1965

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

Correction No. 1653



Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
6170	<p style="text-align: center;">SPLIT DELIVERY (Items Nos. 170 and 171)</p> <p>The rate for the transportation of a split delivery shipment shall be determined and applied as follows, subject to Note 1 in Item No. 171:</p> <p>ø(a) Subject to the alternative provided in paragraph (e) of this item, distance rates shall be determined by the distance from point of origin to that point of destination which produces the shortest distance via the other point or points of destination. *(See Exceptions 1 and 2.)</p> <p>EXCEPTION 1.--Add to the distance determined under the provisions of paragraph (a) above, 2 constructive miles for each point in excess of one located within:</p> <ul style="list-style-type: none"><li>(a) a single metropolitan zone, or</li><li>(b) a single incorporated city, including the extended area thereof, but not within a metropolitan zone, or</li><li>(c) a single unincorporated community, including the extended area thereof, but not within a metropolitan zone, designated in the Distance Table as a red point, black point or numbered junction.</li></ul> <p>*EXCEPTION 2.--In the event that a shipment has component parts both within and without a mileage territory, the shortest distance shall be computed subject to the following provisions:</p> <ul style="list-style-type: none"><li>(a) Between a point within a metropolitan zone and a point not within the same metropolitan zone group but within the Related Mileage Territory, use for constructive mileage determination for the point within the metropolitan zone, the mileage basing point for the applicable metropolitan zone group.</li><li>(b) Between two or more metropolitan zones within the same metropolitan zone group, use for constructive mileage determination the mileage basing points for the individual metropolitan zones.</li></ul> <p>(b) The carrier shall not transport a split delivery shipment unless at the time of or prior to the pickup of the shipment, written information has been received from the consignor showing the name of each consignee, point or points of destination,</p>

and the kind and quantity of property in each component part of such shipment. Preparation by the shipper of the required single split delivery bill of lading or comparable document referred to in paragraph (c) of this item, for execution by the shipper and carrier prior to or at the time of the pickup, will constitute compliance with this paragraph.

- (c) At the time of or prior to the pickup of the shipment, the carrier shall issue to the consignor a single split delivery bill of lading or comparable shipping order for the entire shipment. It shall show the name of the consignor, point of origin, date of pickup, name of each consignee, point or points of destination, and the kind and quantity of property in each component part of such shipment, or, the single split delivery bill of lading or comparable shipping order shall refer to specifically designated documents attached thereto and forming a part thereof which show the component part delivery information.
- (d) If split pickup is performed on a split delivery shipment or if written information does not conform with the requirements of paragraph (b) hereof, or if all of the shipment is not received at the carrier's established depot or picked up by carrier during one calendar day (see exception in multiple lot shipment), each component part of the split delivery shipment shall be rated as a separate shipment under other provisions of this tariff.
- (e) In determining the charge for a split delivery shipment, component parts may be rated as separate shipments from any point or points on the split delivery route (as provided in paragraph (a) hereof) to point or points of destination of such component parts; provided that the written instructions furnished to the carrier under paragraph (b) hereof show (1) the component parts to be treated as separate shipments and (2) the points between which the separate shipment rates are to be applied. The additional charges provided in Note 1 shall apply to all component parts of the split delivery shipment rated in accordance with the provisions of this paragraph, provided, however, where two or more component parts are rated under rates provided in this tariff as separate shipments from the same point on the split delivery route, the aforesaid two or more component parts shall be considered as one split delivery and the charge therefor shall be at the combined weight of the aforesaid component parts.

(Continued in Item No. 171)

∅ Change }  
\* Addition } Decision No. 69455

EFFECTIVE SEPTEMBER 4, 1965

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