Decision No. 69874

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Western Motor Tariff)
Bureau, Inc. under the Shortened)
Procedure Tariff Docket to publish)
special tariff provisions in connection with the application of)
joint rates between InterlinesBlankenship Motor Express and its)
connecting carriers.

Shortened Procedure Tariff Docket Application No. 47650 (Filed June 9, 1965)

Denver J. McCracken, for Western Motor Tariff
Bureau, Inc., applicant.

J. C. Kaspar, H. F. Kollmyer and A. D. Poe, for
California Trucking Association, interested
party.

T. H. Peceimer, for the Commission staff.

OPINION

By this application, Western Motor Tariff Bureau, Inc. (W.M.T.B.), as tariff publishing agent for Interlines-Blankenship Motor Express (Interlines) and its connecting carriers, seeks on behalf of said carriers to establish the following provision in tariffs published by W.M.T.B. containing joint rates of Interlines and said connecting carriers:

"Joint rates between Interlines-Blankenship
Motor Express and other carriers as provided herein
will not apply on shipments moving from or to points
on the lines of Interlines-Blankenship Motor Express
which are not located on a highway or in a defined
area specifically shown on the California Public
Utilities Commission maps referred to on Page 2 of
the governing Distance Table. Combination of local
rates will apply."

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The effect of said publication would be an increase in rates resulting from the cancellation of the joint rates between the off-route points served by Interlines and points served by other carriers.

This matter was heard and submitted before Examiner Mallory at San Francisco on July 27, 1965. The Commission's Transportation Division staff opposed the relief sought on the grounds that it appeared from the application that the authority requested was sought solely because of a disagreement between the carriers as to division of joint-rate revenues, and that the application did not contain sufficient justification to show that the joint rates are unreasonably low in face of a prior finding by the Commission that such rates are reasonable.

Evidence in support of the sought authority was adduced by Interlines' general traffic manager. He introduced, as Exhibit No. I, a copy of Distance Table No. 5 Constructive Mileage Map No. 1 (Northern California) on which were superimposed an outline of Interlines' operating authority in that area and the off-highway points to which the proposed combination rates would apply. As indicated on this exhibit, such points are principally power houses or dams or construction sites for power houses and dams in the Pitt River area, all of which points are located off the system of highways shown on the Distance Table Map. The witness testified that to his knowledge the only shipper with a regular volume of traffic to such points is Pacific Gas and Electric Company, and that the traffic manager of said company was furnished a copy of the application and the relief sought was discussed with him. No written protests were received, nor did any shipper representative appear at the hearing.

Concerning the road conditions to the points affected by the rate proposal, the witness testified that the roads from the highways shown on the Distance Table Map to the affected points are dirt or shale construction roads and are virtually impassable after any heavy precipitation. When such roads are wet, additional units of power equipment are needed. The witness stated that in his opinion constructive mileages (computed on the basis of 1.3 times actual mileage) are much too low for such roads considering

their surface and gradients. The involved joint-rated traffic is generally interchanged with connecting carriers at Interlines' Redding terminal. An average of 8½ hours per trip is required from Redding to the powerhouse and dam sites because of the poor road conditions.

Concerning traffic volumes and revenues, the witness testified that there is a weekly average of 12,000 pounds to the involved destinations. There are no available backhauls. Most shipments are 500 pounds or less and are subject to minimum charges. Based upon an analysis which he had made, the witness testified that the proposal would result in an increase in revenues to Interlines of approximately \$4 per week. The witness testified that the application did not result from any disagreement as to division of joint-rate revenue, but was based on the need for additional revenues for the particular traffic involved.

The record clearly indicates that to the points involved, traffic is sparse and operating conditions are unusually unfavorable.

"An investigation was undertaken by the Commission's Transportation Division engineering staff to determine constructive mileages to and from the locations in question. The roads involved were surveyed to evaluate them for constructive mileage. It was found that a major portion of the routes involved consists of private roads, with access controlled by the Hearst Corporation's Sunical Land and Livestock Division and the Zamboni Lumber Company by the use of gates and guards.

"In the circumstances the establishment of the sought constructive mileages is not appropriate. The petition will be dismissed without prejudice to the filing of another petition if, and when, an actual public highway route is established."

^{1/} By Petition No. 11 in Case No. 7024, California Trucking
Association sought to have Distance Table No. 5 amended by
establishing constructive mileages between various points in
the vicinity of the McCloud-Pitt Project in Shasta and Siskiyou
Counties. This petition was dismissed by Decision No. 68472,
dated January 12, 1965. This decision states:

The application does not spring from any dispute concerning division of joint-rate revenues. The joint rates which applicant seeks to cancel have been found to be reasonable as minimum rates; no finding was made that such rates are maximum reasonable rates. We find that increases resulting from the authority sought herein are justified. We conclude that the application should be granted. Inherent in applicant's request is relief from the long- and short-haul provisions of the Public Utilities Code. Such relief was requested at the hearing. It is justified and should be granted.

ORDER

IT IS ORDERED that:

1. Western Motor Tariff Bureau, Inc. is hereby authorized to publish the following provision:

"Joint rates between Interlines-Blankenship
Motor Express and other carriers as provided herein
will not apply on shipments moving from or to points
on the lines of Interlines-Blankenship Motor Express
which are not located on a highway specifically
shown on the California Public Utilities Commission
maps referred to on Page 2 of the governing Distance
Table and are not within a Metropolitan Zone or within
the extended area of any point named in the governing

Distance Table. Combination of local rates will apply."
in its Tariff No. 111, Cal. P.U.C. No. 15, and in California Common
Carrier Motor Freight Tariff No. 10, Cal. P.U.C. No. 2 (Interstate
Freight Carriers Conference, Inc., Agent, Series) or reissue
thereof, on behalf of Interlines-Blankenship Motor Express and
connecting carriers enumerated in Appendix A to Application No.
47650.

- 2. Tariff publications 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.
- 3. Applicant 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.
- 4. The authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

The order shall become effective ten days after the date hereof.

Dated at Los Angeles, California, this 1941 day of SEPTEMBER, 1965.

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