

Decision No. 70087**ORIGINAL**

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

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. 392  
 (Filed August 9, 1965)

And Related Matters

Cases Nos. 5433, 5436,  
 5438, 5440, 5604 and 7857  
 Petitions for Modification  
 Nos. 21, 71, 53, 28, 16  
 and 7, respectively  
 (Filed August 9, 1965)

A. D. Poe, C. D. Gilbert and J. F. Kollmyer, for  
 California Trucking Association, petitioner.

Eugene A. Read, for California Manufacturers  
 Association; and A. E. Norrbom, for Traffic Managers  
 Conference of California, protestants.

V. A. Bordelon, for Los Angeles Chamber of Commerce;  
G. B. Fink, for The Dow Chemical Company; Larry  
 Borden, for Safeway Stores, Inc.; C. J. Van Duker  
 and Barbara Berke, for United Shippers Association;  
Ralph Hubbard, for California Farm Bureau Federation;  
David B. Porter, for Cannery League of California;  
Joseph R. McNicoll, for E. J. Lavino & Company;  
E. R. Chapman, for Foremost Dairies, Inc.;  
B. R. Garcia, for B. R. Garcia Traffic Service;  
John P. Hellmann, for Allied Chemical Corporation;  
William Mitze, for Riverside Cement Company;  
W. A. Gillette, for Monolith Portland Cement Company;  
Russell Bevans, for Draymen's Association of San  
 Francisco, Inc.; Charles R. Harryman, for Masonite  
 Corporation; Gordon Larsen, for American Can Company;  
Eugene E. Bonbright, for Traffic Service Corporation;  
A. G. McGiboney, for Western Traffic Associates; and  
R. L. Walsh, for Hunt Foods & Industries, Inc.;  
 interested parties.

Charles F. Gerughty, Jr. and George H. Morrison, for  
 the Commission staff.

O P I N I O N

Decision No. 64802, dated January 15, 1963 (60 CPUC 453), as  
 amended, found that Distance Table No. 5 should be adopted as the  
 basis for determining constructive mileages in connection with minimum

rate tariffs issued by the Commission. The application of Distance Table No. 5 to the various tariffs was deferred until separate proceedings were held for each minimum rate tariff. The distance table has been made applicable to all of the Commission tariffs containing constructive mileage rates.

By the instant petitions, California Trucking Association (C.T.A.) seeks further revision in certain of the minimum distance rate tariffs which contain a rule governing the alternative application of common carrier rail rates in combination with the minimum distance rates.<sup>1/</sup>

Public hearing was held on October 19, 1965, before Examiner Gagnon at San Francisco. The matter stands submitted for decision. The proposal of the C.T.A. was opposed by certain interested shippers and shipper groups.

Petitioner states that the sought tariff amendment is for purposes of tariff simplification and clarification. The C.T.A. presented no factual evidence in support of its proposal. In lieu thereof, it relied solely upon prior Commission action relative to the application of Distance Table No. 5 to the various minimum rate tariffs, the program for which was enunciated in Decision No. 64802. Attention was also directed to the historical development of the 0-3 mile proportional distance factor rate for use in combination with

- 
- <sup>1/</sup> The specific minimum rate tariffs involved herein are:
- (1) Minimum Rate Tariff No. 2, Item 210 (general commodities);
  - (2) Minimum Rate Tariff No. 3-A, Item 221 (livestock);
  - (3) Minimum Rate Tariff No. 6-A, Item 90 (petroleum);
  - (4) Minimum Rate Tariff No. 8, Item 220 (fruits and vegetables);
  - (5) Minimum Rate Tariff No. 10, Item 160 (cement and related commodities);
  - (6) Minimum Rate Tariff No. 12, Item 190 (motor vehicles and related items); and
  - (7) Minimum Rate Tariff No. 14-A, Item 210 (hay and related commodities).

rates of common carriers beyond public team tracks or established depots within a single incorporated city.<sup>2/</sup>

The C.T.A. proposal pertains only to the method for computing the constructive mileage for use in determining the aforesaid proportional distance factor rate. Similar tariff rules are provided in the minimum rate tariffs involved herein. We shall consider, therefore, the problems relating to the provisions contained in Minimum Rate Tariff No. 2 as typical of all tariffs involved. The rule in said tariff is in Item 210, pertinent portions of which are as follows:

"Note 1. -- If the route from point of origin to the team track or the established depot, or from the team track or established depot to point of destination, is within the corporate limits of a single incorporated city, the rates provided in this tariff for transportation for distances of 3 miles or less, or the minimum rates established by the Commission for transportation within that city by carriers as defined in the City Carriers' Act, whichever are the lower, shall apply from point of origin to team track or established depot or from team track or established depot to point of destination as the case may be; ... ."

Petitioner contends that the aforementioned rule makes no provision for the determination of the proportional distance rate factor when transportation is performed between Metropolitan Zones or other Described Extended Areas named in Distance Table No. 5, where such zones or areas are within the corporate limits of a single incorporated city. Petitioner recommends therefore, that the tariff be amended so that when the movement beyond the team track or established depot is within the limits of (1) a single unzoned incorporated city, or (2) a Metropolitan Zone or Described Extended Area, the proportional distance rate for 0-3 miles shall apply. This distance rate factor is the same as presently provided in the tariff. However, if the aforesaid intracity movement is performed between Metropolitan Zones or

---

<sup>2/</sup> The C.T.A. makes particular reference to:  
Decision No. 31606, dated December 27, 1938 (41 CRC 671);  
Decision No. 64802, dated January 15, 1963 (60 CPUC 453);  
Decision No. 66578, dated January 7, 1964, in Case No. 7024  
(Unreported); and  
Decision No. 66611, dated January 14, 1964 (62 CPUC 185).

other Described Extended Areas, it is recommended that the proportional distance factor rate be predicated upon the constructive mileage provided in Distance Table No. 5, which would result, in most instances, in a distance factor rate greater than that named in the tariffs for 0-3 miles.

Petitioner explains that its proposal would establish a uniform tariff rule which would clarify the application of the governing distance table. No increase in carrier revenues is sought or contemplated, although certain increases in rates will occur when movements beyond the team track or established depot are performed between Metropolitan Zones or other Described Extended Areas.

The testimony of a traffic consultant on behalf of the California Manufacturers Association reflects the opposition of certain shippers to the C.T.A. proposal. The traffic consultant stated that the proposal was generally objectionable because it was extremely complicated to apply. The witness further asserted that the effect of the suggested tariff revision upon carrier revenues would be minimal. The traffic consultant explained that, within the limits of a single incorporated zoned city, it would be very unusual to find a Metropolitan Zone, as described in Distance Table No. 5, in which a public team track was not located in addition to the point of origin or destination of a shipment. Therefore, the traffic consultant concluded that the proportional distance factor rate under the C.T.A. proposal would, in nearly all instances, be the intra-zone 0-3 mile rate. This is the same result reached under the existing tariff provision, which is comparatively simple to apply and requires very little information not already provided in the minimum rate tariffs.

Discussion, Findings and Conclusion

The application of Distance Table No. 5 to the various minimum rate tariffs, under the procedure established by Decision No. 64802, does not require, for reasons of tariff clarification or simplification, the tariff amendment proposed by petitioner. If the C.T.A. proposal were deemed to be essential, a like evaluation would be necessary of certain other related tariff items concerning the alternative application of split-pickup and split-delivery under rates constructed by use of combinations with common carrier rates. No such evaluation was presented with respect to the latter tariff provisions.

Upon careful review of the sought tariff proposal, we find that the tariff simplification and clarification objectives of petitioner would not be achieved were such proposed tariff amendments adopted. Accordingly, we conclude that the instant petitions should be denied.

O R D E R

IT IS ORDERED that Petitions for Modification Nos. 392, 21, 71, 53, 28, 16 and 7 in Cases Nos. 5432, 5433, 5436, 5438, 5440, 5604 and 7857, respectively, are hereby denied.

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

Dated at San Francisco, California, this 14<sup>th</sup> day of DECEMBER, 1965.

Frederick B. Hallock  
President  
Paul E. Smith  
George J. Crover  
William W. Berman

Commissioners