

ORIGINAL

Decision No. 70828

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 make various re-)
visions in National Motor Freight)
Classification A-8 and its Califor-)
nia Supplement.)

Application No. 48462
(Filed May 9, 1966)
(Amended May 16, 1966)

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 com-)
modities 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. 420)
(Filed May 9, 1966)
(Amended May 16, 1966)

And Related Matters)

Cases Nos. 5435, 5439, 5440,
5441, 5603 and 7858
(Petitions for Modification
Nos. 78, 47, 35, 109, 29
and 14, respectively)
(Filed May 9, 1966)
(Amended May 16, 1966)

OPINION AND ORDER

Various common carriers participate in National Motor Freight Classification A-8 (CAL) as governed by National Motor Freight Classification A-8, hereinafter referred to as the Governing Classification, for class ratings and other provisions. Also, various Commission minimum rate tariffs are subject to the class ratings and/or other provisions of such classification.

By Application No. 48462, as amended, National Motor Freight Traffic Association, Inc., Agent, seeks authority, on behalf of such common carriers, to publish various revisions in the Governing Classification to become effective July 12, 1966, concurrently with the national effective date for such revisions.¹ By the above petitions, as amended, California Trucking Association seeks to have the ratings and other provisions in the Governing Classification similarly revised to govern the minimum rates, rules and regulations in various Commission minimum rate tariffs.² Petitioner requests that all common carriers be directed to establish in their respective tariffs such modifications as may be prescribed by the Commission's order in these proceedings, including relief from the long- and short-haul provisions of Section 460 of the Public Utilities Code.

Applicant and petitioner, hereinafter referred to as applicants, state that the Governing Classification is periodically revised to meet the changing needs of commerce. Applicants aver that the procedures available to shippers and carriers to initiate such revisions, to participate in their disposition and to protect their interests are generally known to the carriers and shippers. Applicants allege that the sought revisions have been authorized by the National Classification Board after due process, including

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The changes, which are provided in Supplements 16 and 14 to the Governing Classification, are set forth in Exhibits A and B, respectively; and the related justifications, in Exhibit C, all attached to the application.

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

public hearings in California and other locations, and are generally scheduled to become effective July 12, 1966, for tariffs covering areas other than California, and that such revisions, if authorized by this Commission, would permit maintenance of uniformity of classification provisions between California and the other states.

A review of applicants' requested revisions indicates that they pertain principally to (1) format of classification; (2) correction of publishing errors and omissions; (3) clarification of existing descriptions of articles; (4) cancellation of obsolete provisions; and (5) establishment of specific ratings for newly designed or manufactured articles. Such changes are within the framework of the criteria heretofore announced by this Commission.³

Applicants suggest, to protect the interests of all parties, that the effective date of any order issued herein should be thirty days after the date of the decision. This would provide ample opportunity for any interested party to advise applicants and the Commission concerning those items which might require separate and further consideration without unduly delaying the effectiveness of the great body of classification changes which, applicants assert, are necessary and desirable, and concerning which there is no question or dispute.

Copies of the joint application and petitions and amendments were mailed to various chambers of commerce, shipper organizations, carrier representatives and other interested parties on or about May 6 and 13, 1966, respectively. The joint application and petitions and amendments were listed on the Commission's Daily Calendar of May 10 and 17, 1966, respectively.

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See Decision No. 68324 in Case No. 5432, et al., 63 Cal.P.U.C. 728; Decision No. 68711 in Case No. 5432, et al., 64 Cal.P.U.C. 146; Decision No. 70287 in Case No. 5432, et al., unreported; Decision No. 70335 in Case No. 5432, et al., unreported; and 70656 in Case No. 5432, et al., unreported.

By letter from its traffic consultant dated May 11, 1966, Basalt Rock Company (Basalt) informed the Commission that it is a large manufacturer of concrete building and roofing slabs, which are presently being transported under lower ratings or rates than those proposed by applicants. Basalt alleges that, while it does not presently manufacture concrete piling, it contemplates doing so in the near future. Basalt avers that the proposed changes in the Class D and E ratings of Items 32420 and 32690 of the Governing Classification would result in an increase of 32 and 47 percent, respectively,⁴ and might cause it to transport the slabs in its own equipment. Basalt asserts that the justification offered by applicants for increases in the ratings in Items 32420 and 32690 of the Governing Classification is not sufficient to allow authorization on an ex parte basis and requests that the matter be set for hearing with respect to such items.

In the circumstances, it appears, and the Commission finds, that:

1. Except as provided in Finding No. 4, the proposed classification revisions set forth in Application No. 48462, as amended, are reasonable and, to the extent that said ratings, rules and regulations will result in increases, such increases are justified.

2. 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 ratings tariff, are suitable to govern the minimum rates established by the Commission.

⁴ Applicants propose to cancel the truckload rating in Item 32420 on concrete piling of Class E, minimum weight 36,000 pounds, and, in lieu thereof, to apply a truckload rating of 5th class, minimum weight 40,000 pounds, as set forth in Item 32020. Applicants also propose to change the truckload ratings in Item 32690 on concrete building or roofing slabs of Class D, minimum weight 36,000 pounds, and Class E, minimum weight 40,000 pounds to 5th class, minimum weight 40,000 pounds.

3. Except as provided in Finding No. 4, 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.

4. The changes sought by applicants in connection with Items 32020-A, 32420-A and 32690-A of the Governing Classification are not justified.

Based on the above findings, the Commission concludes that the proposed classification changes set forth in Application No. 48462, as amended, should be authorized, and that such ratings, rules and regulations should be adopted and approved, to the extent indicated in the ensuing order, to govern the minimum rates established by the Commission. The Commission further concludes 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 Section 460 of the Public Utilities Code, to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations. The order which follows will be made effective thirty days after the date hereof and the earliest effective date of the tariff publications involved shall be July 12, 1966.

IT IS ORDERED that:

1. Except as otherwise provided in Ordering Paragraph 8 hereof, 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. 48462, as amended, to become effective not earlier than July 12, 1966, on not less than four days' notice to the Commission and to the public.

2. Except as otherwise provided in Ordering Paragraphs 7 and 8 hereof, 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 and Minimum Rate Tariffs Nos. 1-B, 2, 5, 9-B, 10 and 11-A.

3. Tariff publications required to be made by common carriers as a result of Ordering Paragraph 2 hereof may be made effective not earlier than July 12, 1966, on not less than four days' notice to the Commission and to the public and such tariff publications shall be made effective not later than August 1, 1966; and tariff publications which are authorized but not required to be made by common carriers as a result of Ordering Paragraph 2 hereof may be made effective not earlier than July 12, 1966, and may be made effective on not less than four days' notice to the Commission and to the public if filed within sixty days of the effective date of the tariff publications authorized in Ordering Paragraph 1 hereof.

4. The classification ratings, rules and regulations authorized to be established by Ordering Paragraph 2 hereof are authorized to be made applicable also for 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.

5. Any provisions concurrently maintained in common carrier tariffs which are more restrictive than, or which produce charges greater than, those contained in City Carriers' Tariff No. 1-A and Minimum Rate Tariffs Nos. 1-B, 2, 5, 9-B, 10 and 11-A, are authorized to be maintained in connection with the ratings, rules and regulations authorized and directed to be established herein.

6. Common carriers, in establishing and maintaining the ratings, rules and regulations 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 ratings, rules and regulations published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

7. Except as provided in Ordering Paragraph 5 hereof, common carriers are not authorized to publish ratings, rules and regulations which are different from, and are superseded by, present exceptions contained in Exception Ratings Tariff No. 1, City Carriers' Tariff No. 1-A and Minimum Rate Tariffs Nos. 1-B, 2, 5, 9-B, 10 and 11-A.

8. The ratings and provisions proposed to be published by applicants in Items 32020-A, 32420-A and 32690-A of National Motor Freight Classification A-8 (CAL) as governed by National Motor Freight Classification A-8 are hereby denied.

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

Dated at San Francisco, California, this 8th day of June, 1966.

Fredrick B. Holdhoff
President

John E. Washburn

George E. Traver

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Commissioners

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