

ORIGINAL

Decision No. 72908

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 fresh)
or green fruits and vegetables)
and related items (commodities)
for which rates are provided in)
Minimum Rate Tariff No. 8).

Case No. 5438
Petition for Modification No. 59
(Filed May 19, 1967,
Amended July 11, 1967)

O P I N I O N

California Trucking Association seeks a general three percent increase in the minimum rates and charges for the transportation of fresh fruits and vegetables and related commodities, as set forth in Minimum Rate Tariff No. 8.^{1/} The last general increase in said rates was authorized by Decision No. 71705, dated December 13, 1966, in Case No. 5438, Petition No. 57.

The petition states that the proposed increases are designed to offset cost increases occurring since the last general revision of the tariff. The verified statement of petitioner's director of its division of transportation economics, attached as Exhibit B to the amended petition, sets forth the factual background of the need for

1/ Such increase is proposed to be published as a surcharge, subject to an expiration date of April 1, 1968. An increase is also sought in the charge for deliveries at the San Francisco Produce Terminal. No increases are sought in rates for transportation of potatoes and onions, for citrus fruits, deciduous tree fruits and grapes to ports for export, or in charges for C.O.D. service. Also proposed is a change in the provided gross weight for certain root vegetables packed and invoiced in 50-pound cartons, net weight.

the proposed tariff changes. Said statement alleges that present rates and charges reflect cost conditions, including labor rates, as of July 1, 1966. Since that date new labor contracts have been negotiated between agricultural carriers and labor unions, which will expire March 31, 1970. Said labor agreements call for increases in direct wage costs (excluding fringe benefits), effective April 1, 1967, ranging from 4.5 percent to 9.2 percent. Increases have also occurred in fringe benefits, payroll taxes and workmen's compensation insurance.

The verified statement asserts that the effect on carriers' total costs of the labor and other cost changes described above is greater than the proposed three percent increase in rates. It is alleged that the full amount of the increases necessary to offset increased costs is not sought because of the present temporary unfavorable condition of California agriculture. It is asserted that the proposed tariff changes will provide increased revenues to the carriers adequate to the maintenance of their obligation to the public without undue disruption of current competitive marketing arrangements.

The petition states that various interested parties have considered tariff changes which would provide increased revenues to offset increased carrier costs with a minimum disruption of agricultural marketing patterns. Such interested parties are basically

those entitled as the "Carrier-Shipper" group by the Commission in Decision No. 68921 (dated April 20, 1965, in Case No. 5438), which established the present tariff provisions.^{2/} Petitioner states that it is informed and believes that this proposal is desired by such parties and will be in their best interest. Petitioner asserts that expedition of decision in this matter is indicated by the seasonal characteristics of the transportation involved, and the desirability of having tariff revisions effective at the earliest possible date. Accordingly, petitioner alleges that this matter warrants expedited ex parte handling by the Commission. Copies of the amended petition were served on the principal shipper groups in California. California Farm Bureau Federation has informed the Commission by letter (hereby made a part of the record herein) that it supports petitioner's proposal. No objection to the granting of the petition has been received.

The Commission finds that petitioner's proposals are reasonable and that the resulting minimum rates and charges for the transportation of fresh fruits and vegetables and related commodities

^{2/} Petitioner asserts that the proposed tariff revisions have been developed in the same spirit as that summarized by the Commission in Decision No. 68921:

"The C-S proposals are the product of many meetings between representatives of C.T.A. and of the different produce shipping and marketing groups. Through those conferences the payers of transportation charges have taken an active part in the rate-making process. In working out the joint rate proposals with the carrier organization they have brought to the conference table their intimate knowledge of the problems presented, through close involvement with the produce industry. It appears that the joint carrier-shipper proposals, insofar as they differ from those of the staff, may well be more responsive to current transportation rate requirements of that industry. . ."

will be just, reasonable and nondiscriminatory minimum rates and charges for the services to which they apply, and that the increases involved are justified. A public hearing is not necessary. The petition, as amended, should be granted.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff No. 8 (Appendix "C" to Decision No. 33977, as amended) is further amended by incorporating therein, to become effective September 23, 1967, Supplement No. 24 and Eighth Revised Page 9, attached hereto and by this reference made a part hereof.

2. The tariff amendment 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 fifth day after the effective date of this order on not less than five days' notice to the Commission and to the public and such tariff publications shall be made effective not later than September 23, 1967; and 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 fifth day after the effective date of this order, and may be made effective on not less than five 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 rates and charges 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 rates and charges 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 Decision No. 33977, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 15th day of AUGUST, 1967.

William W. Bennett President
Augusta
William J. ...
Paul P. ... Commissioners

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

SPECIAL INCREASE SUPPLEMENT

SUPPLEMENT NO. 24
(Cancels Supplements Nos. 21 and 23)
(Supplement No. 24 Contains All Changes)

TO
MINIMUM RATE TARIFF NO. 8
NAMING
MINIMUM RATES, RULES AND REGULATIONS
FOR THE
TRANSPORTATION OF FRESH FRUITS,
FRESH VEGETABLES AND EMPTY
CONTAINERS OVER THE PUBLIC HIGHWAYS
BETWEEN POINTS IN THE STATE OF
CALIFORNIA AS DESCRIBED HEREIN
BY
CITY CARRIERS
RADIAL HIGHWAY COMMON CARRIERS
AND
HIGHWAY CONTRACT CARRIERS

∅ APPLICATION OF SURCHARGES
(See Page 2 of This Supplement)

∅ Change, Decision No. 72908

EFFECTIVE SEPTEMBER 23, 1967

Issued by the
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
State Building, Civic Center
San Francisco, California 94102

SUPPLEMENT NO. 24 TO
MINIMUM RATE TARIFF NO. 8

APPLICATION OF SURCHARGES

The surcharges herein provided shall be in addition to all other rates, charges or surcharges provided by this tariff.

(E) 01. Compute the amount of charges in accordance with the provisions of this tariff, and increase the amount so computed by three percent. (See Exception) (See Note 3)
EXCEPTION: Does not apply on rates named in Items Nos. 120, 192, 306, 307, 308, 335, 360 and 363.

02. The additional surcharges provided in this paragraph apply only to shipments, or component parts of split delivery shipments, having point of destination within the GOLDEN GATE PRODUCE TERMINAL located at South San Francisco or the SAN FRANCISCO PRODUCE TERMINAL located at San Francisco (see Item No. 290 for descriptions).

Compute the amount of charges in accordance with the provisions of this tariff and increase the amount so computed by the following amounts:

<u>Packages or Pieces Delivered</u>	<u>SURCHARGE (See Note 1)</u>	
	<u>At Golden Gate Prod. Term.</u>	<u>At S. F. Prod. Term.</u>
50 or less -----	No Charge	0\$1.00
More than 50 but not more than 150	\$1.00	\$1.00
More than 150 but not more than 250	\$2.00	\$2.00
More than 250 -----	\$1.00 per axle (see Note 2)	\$1.00 per axle (see Note 2)

NOTE 1.--In the case of a shipment transported in multiple lots under the provisions of Item No. 185, the surcharge herein provided shall be determined by applying the table above separately to each single vehicle or train of vehicles transporting the shipment.

NOTE 2.--All axles of the equipment on which the shipment, or portion of a multiple lot shipment, is transported are to be computed, whether said equipment consists of a single vehicle or of two or more vehicles operated as a single unit.

NOTE 3.--Fractions of less than one-half cent shall be dropped; fractions of one-half cent or greater shall be increased to next whole cent.

THE END

(E) Expires with April 1, 1968.

ø Change)
ø Increase) Decision No. 72908

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)																
	GROSS WEIGHT																
	<p>(a) Charges shall be assessed on the gross weight of the shipment, including container icing, if any. No allowance shall be made for the weight of containers. (See Exceptions 1, 2 and 3)</p> <p>(b) In connection with shipments weighing 18,000 pounds or more, transported for distance in excess of 50 constructive miles, the actual gross weight of the shipments shall be confirmed by a public weighmaster's certificate, which shall be obtained by the carrier prior to or at the time of unloading. (See Note)</p> <p>(c) When the carrier obtains a public weighmaster's certificate, charges shall be based on the weight of the commodities as confirmed by the public weighmaster's certificate. The original and duplicate copy of the public weighmaster's certificate shall be affixed to the shipper's and carrier's copy of the freight bill (See Item No. 255), respectively.</p> <p>EXCEPTION 1: On shipments containing exclusively the commodities provided below, charges shall be assessed on the gross weights as follows:</p> <p>§(a) ONIONS, BEETS, TURNIPS, ROTABAGAS, PARSNIPS, CARROTS AND POTATOES</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">When Packed and Invoiced as:</th> <th style="text-align: left;">Charges shall be assessed on Gross Weight per Package of:</th> </tr> </thead> <tbody> <tr> <td>10 Pounds per Sack</td> <td>10½ Pounds per Sack</td> </tr> <tr> <td>15 Pounds per Sack</td> <td>15½ Pounds per Sack</td> </tr> <tr> <td>25 Pounds per Sack</td> <td>25½ Pounds per Sack</td> </tr> <tr> <td>50 Pounds per Sack</td> <td>50½ Pounds per Sack</td> </tr> <tr> <td>100 Pounds per Sack</td> <td>101 Pounds per Sack</td> </tr> <tr> <td>5 10-Pound Consumer Paper Bags per Sack</td> <td>51-¾ Pounds per Sack</td> </tr> <tr> <td>50 Pounds per Carton</td> <td>53 Pounds per Carton</td> </tr> </tbody> </table> <p>(b) ORANGES or LEMONS when packed in standard orange or lemon box with inside depth, width and length dimensions of 10½ x 10-11/16 x 16-3/8", identified as container 58 in Section 828.83 of Agricultural Code of California, charges shall be assessed on the gross weights as follows:</p> <p style="text-align: center;">ORANGES - 39½ lbs. per box LEMONS - 40 lbs. per box</p> <p>(c) GRAPEFRUIT when packed in standard grapefruit box with inside depth, width and length dimensions of 9-¾ x 10-11/16 x 16-3/8", identified as container 59 in Section 823.83 of Agricultural Code of California, charges shall be assessed on the gross weight of 35½ lbs. per box.</p>	When Packed and Invoiced as:	Charges shall be assessed on Gross Weight per Package of:	10 Pounds per Sack	10½ Pounds per Sack	15 Pounds per Sack	15½ Pounds per Sack	25 Pounds per Sack	25½ Pounds per Sack	50 Pounds per Sack	50½ Pounds per Sack	100 Pounds per Sack	101 Pounds per Sack	5 10-Pound Consumer Paper Bags per Sack	51-¾ Pounds per Sack	50 Pounds per Carton	53 Pounds per Carton
When Packed and Invoiced as:	Charges shall be assessed on Gross Weight per Package of:																
10 Pounds per Sack	10½ Pounds per Sack																
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5 10-Pound Consumer Paper Bags per Sack	51-¾ Pounds per Sack																
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§60

EXCEPTION 2: When palletized shipments subject to minimum weights of 18,000 pounds or more are loaded or unloaded with power equipment, the weight of the pallets (elevating truck pallets or platforms or lift truck skids) shall not be used in determining the weight of the shipment nor the charges thereon. This exception applies only in connection with rates contained in this tariff, and is not applicable to shipments of empty pallets. When rail rates are used under provisions of Items Nos. 210 and 220 through 240 of this tariff, the weight of the pallets shall be included or excluded in accordance with the provisions of the governing rail tariff.

EXCEPTION 3: The provisions of this item do not apply to transportation for which package rates are provided in Section No. 4 of this tariff.

NOTE - A single public weighmaster's certificate may be obtained for each unit of carrier's equipment which contains (a) one or more shipments weighing 18,000 pounds or more and other shipments or (b) a portion of a shipment weighing 18,000 pounds or more and other shipments. Such certificate shall show the combined actual weight of all shipments on each such unit of carrier's equipment. The combined weight thus obtained shall be allocated among the shipments in each unit of carrier's equipment. A load manifest or similar document shall be prepared for each such unit which shall set forth the kind and quantity of each commodity in each shipment and the method of allocating the weight to each.

∅ Change)
◇ Increase)

Decision No. 72908

EFFECTIVE SEPTEMBER 23, 1967

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.
Correction No. 484