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Decision No. 73019

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of J. D. SHERSON, Tariff Publishing Officer, for approval of changes in classification provision.

Application No. 49537 Filed July 11, 1967

## <u>o p i n i o n</u>

J. D. Sherson is chairman and tariff publishing officer of the Uniform Freight Classification Committee, which is composed of representatives of the railroads operating in the United States. He seeks authority to make certain changes in rules and classifications in Uniform Freight Classification 8 governing the rates of railroads applicable to transportation in California intrastate commerce. There are three general categories of proposed changes: (1) rule changes and changes in descriptions of articles which would result either in no change in rates or a reduction in rates, (2) changes in descriptions of articles and rule changes resulting in increases in rates, and (3) an amendment to Rule 13 increasing the minimum charge per car by \$20. In connection with the proposed amendment of Rule 13, applicant requests authority to make the proposed rule effective on one day's notice. Presumably he intends to make the other changes effective on statutory (30 days) notice.

Applicant served a copy of the application upon a number of associations and persons whom he believed might be concerned with the proposed changes. Notice of the filing of the application was provided by the Commission's Daily Calendar. We have not received any protests or requests that the matter be set for hearing.

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With respect to the proposed changes that do not result in increases in rates, most of them provide for ratings that are the same as those maintained by motor carriers and are intended by applicant to afford the railroads equal opportunity to compete. The remainder of the proposed changes involve revisions of rules for packing of certain articles and are technically reductions in rates.

The proposed changes in descriptions of articles resulting in increases in rates involve increases in minimum weights of carload ratings on croquet sets and automobiles, consolidation of items and descriptions referring to various types of booths, the cancellation of items containing specific ratings on fish globes, glass lamp parts and lantern globes so as to make such articles subject to the ratings provided for glassware, and certain changes in the descriptions of aerial bombs and dishwashers which conform to the methods in which those articles are tendered for shipment. None of the proposed changes result in any substantial increase in rates and could be considered to be inconsequential. An example of the type of increase involved is the proposed change in the ratings of croquet sets. At present the carload rating on "croquet sets, racks KD and mallets taken apart, in boxes" is Class 45 minimum weight 24,000 pounds. The proposed rating is Class 37-1/2 minimum weight 30,000 pounds. The result of the proposal is that generally speaking there would be an increase in rates on shipments weighing less than 25,000 pounds but a reduction in rates for shipments weighing over 25,000 pounds.

The effect of the proposed change in Rule 13 is to increase the minimum charge per car from \$40 to \$60. From a practical standpoint the application of this rule is very limited

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and would typically apply to a movement of a lightly laden standard

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car for a very short distance. The application states that the proposed increase now applies on interstate traffic and on intrastate traffic in other states, and that the increase is needed to cover terminal costs which alone, exclusive of line-haul costs, generally exceed the present minimum charge of \$40 per car.

With respect to the proposed changes that do not result in increases in rates, the application states that they either involve new forms of articles or their packaging, or ratings comparable to those maintained by other carriers. Applicant does not require authority to publish said changes on not less than thirty days' notice. (Pub.Util.Code, Sections 452 and 491.)

We find that the increases in rates which will result from the proposed changes are justified. Administrative procedures within the Commission ordinarily require at least five calendar days for the processing of tariff filings. Authority to make tariff publications effective on one day's notice is granted only in instances of emergencies. Such emergency has not been shown by applicant. We find that the publication of amended Rule 13 to become effective on not less than ten days' notice is reasonable and justified.

The authority to publish changes to become effective on one day's notice to the Commission and to the public should be denied and in all other respects the application should be granted.

## <u>ORDER</u>

## IT IS ORDERED that:

1. J. D. Sherson, Tariff Publishing Officer, is authorized to establish the ratings and rules in Uniform Freight Classification 8 proposed in Application No. 49537.

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2. Publication of proposed Rule 13 may be made effective not earlier than ten days after the effective date hereof on not less than ten days' notice to the Commission and to the public. Other tariff publications authorized to be made as a result of the order herein may be made effective not earlier than thirty days after the effective date hereof on not less than thirty days' notice to the Commission and to the public.

3. The authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

4. In all other respects Application No. 49537 is denied.

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

Dated at <u>San Francisco</u>, California, this <u>/</u> day of <u>SEPTEMBER</u>, 1967.

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Commissioners