

**ORIGINAL**Decision No. 73386

## 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 household goods carriers, )  
 common carriers, highway carriers, )  
 and city carriers relating to the )  
 transportation of used household )  
 goods and related property. )

Case No. 5330  
 Petition for Modification No. 32  
 (Filed March 29, 1967; Amended  
 September 18, 1967)  
 and  
 Petition for Modification No. 33  
 (Filed June 19, 1967; Amended  
 September 18, 1967)

Knapp, Gill, Hibbert & Stevens, by Wyman C. Knapp,  
 and Chas. A. Woelfel, for California Moving and  
 Storage Association, petitioner.  
Robert D. Ford, Frank A. Payne, Jr., James F.  
Bartholomew, and R. L. Reeves, for Lyon Van &  
 Storage Co.; Jackson W. Kendall and W. F. Goines,  
 for Bekins Van & Storage Co.; Quig M. Driver,  
 for Stringer-Driver Storage Co.; Patrick J. Walsh,  
 for James Transfer & Storage Co.; Robert S. Reis,  
 for City Transfer & Storage Co.; Thomas W. King,  
 for Crockett's Van & Storage, Inc.; O. I. Groff,  
 for Fosters Transfer & Storage Co.; Morris T.  
Hesterman, for Smyth Market Street Van & Storage  
 Co.; Gerald D. Poznanovich, for Schultz Van &  
 Storage; T. R. Travers, for himself; George E.  
Thomas, for Transfer & Storage Co., Inc.;  
James A. Nevil, for Nevil Van & Storage Co.; and  
Sam S. Blank, for Dependable Moving & Storage  
 Co., respondents.  
John T. Reed, for California Manufacturers Association;  
Tad Muraoka, for IBM Corporation; P. F. Forderer,  
 for Lockheed Missiles & Space Co.; and J. C. Kaspar,  
A. D. Poe and H. F. Kollmyer, for California  
 Trucking Association, interested parties.  
Robert E. Walker and R. J. Carberry, for the Commission  
 staff.

O P I N I O N

In Petition No. 32, California Moving and Storage Associa-  
 tion seeks an upward adjustment in the minimum hourly rates and  
 accessorial labor rates set forth in Items Nos. 330 and 350 of  
 Minimum Rate Tariff No. 4-B (MRT 4-B) for the local movement of used

household goods, personal effects and office, store and institution furniture, fixtures and equipment.

In Petition No. 33, that association seeks a lesser increase in the rates set forth in Items Nos. 330 and 350, on an interim basis, and also seeks an increase in the charges for shipping containers and packing materials in Item No. 360 of MRT 4-A.

Items Nos. 330 and 350 of MRT 4-B contain separately stated hourly rates for Territories A and B, as defined in Item No. 210 of the tariff.<sup>1/</sup> Both petitions also seek to have Sonoma County included in Territory A, and to have the higher rates in Territory A apply to Sonoma County.

The last adjustment in hourly rates in MRT 4-B was made pursuant to Decision No. 71552, dated November 9, 1966, in Case No. 5330, Petition No. 29. The petitions herein allege that as a result of spiraling costs which have occurred in practically all phases of local moving operations, the local moving rates and accessorial charges now in effect in MRT 4-B are unduly and unreasonably low. The petitions assert that increases in such rates and resulting charges are necessary in order to restore them to reasonable and compensatory bases.

Public hearing was held before Examiner Mallory at San Francisco on October 16 and 17, 1967. The matters were submitted on the latter date. Evidence was adduced by the Commission staff. Interested parties and petitioner participated through examination of the staff witnesses.

A senior transportation engineer introduced and explained a study of estimated current costs of performing transportation

---

<sup>1/</sup> Territory A consists of the City and County of San Francisco and the Counties of Alameda, Contra Costa, Marin, San Mateo and Santa Clara. Territory B consists of the remaining counties in the State.

under hourly rates. The study reflects the operations of 38 carriers operating in various areas of the State.<sup>2/</sup> Said carriers were randomly sampled from a stratified universe of 513 carriers who receive \$10,000 or more annual revenue from operations under local moving rates. The witness developed costs for the use of a two-axle truck with driver, and with driver and helper; and for a two-axle tractor and one-axle trailer, with driver and with helper. The witness stated that the use of tractor-trailer units for local moves had become significant since the last full-scale study was made; therefore, costs were developed for such units.

The cost study shows that there is a material difference in labor costs and in total costs of operation between a portion of the area now included in Territory B and the balance of that territory. The study shows that such higher costs are incurred in the Counties of Del Norte, Fresno, Humboldt, Madera, Mendocino, Merced, Napa, Sacramento, Solano, San Joaquin, Stanislaus, Yolo and the northern portion of Sonoma County. The cost study also shows that costs for the lower portion of Sonoma County approximate those for Territory A.

The staff cost study also indicates that estimated costs of operation in all territories have risen in the period since the last adjustment in local moving rates.

An associate transportation rate expert presented in evidence an exhibit containing recommended revisions in the territorial application of local-moving rates and in rate levels. The

---

<sup>2/</sup> The original selection was 40 carriers. Two carriers were eliminated because of significant changes in the carriers' operations subsequent to their selection as a study carrier.

witness proposed that a new territory be established in order to reflect in the minimum rates the differences in costs discussed above. He also recommended that the southern portion of Sonoma County be included in Territory A. The witness proposed rate levels reflecting the cost data as developed by the staff engineer, carrier operating practices in transporting hourly-rated household goods shipments, and the levels of rates currently being assessed. Of these considerations, the factor accorded the most weight in the development of the proposed rates appears to be the estimated costs. The witness indicated that the cost-rate relationships used range from 93 to 95. Greater effect was given to operating costs of a two-axle truck because this unit is used to a much greater extent than the tractor-trailer unit in local moving service.

The staff rate witness also testified that he had explored methods of assessing charges to replace the so-called "double-driving time" provisions for determining charges under hourly rates. The witness stated that none of the alternate methods explored would result in reasonable and nondiscriminatory charges; therefore, he recommended that the present method of computing time for the determination of hourly rates be retained.

The rates proposed by the staff for a unit of equipment and two men would result in increases over present rates of 14.0 percent for Territory A, 21.9 percent for Territory B, and 12.6 percent for Territory C. The rates proposed by the staff are generally lower than those requested by petitioner.

Petition No. 32 was submitted on the showing made by the staff. Petitioner requested that Petition No. 33, which requested interim rates, be dismissed. Petitioner's counsel explained that

the California Moving and Storage Association is generally in accord with the staff proposals; that further time would be necessary to present its evidence as its principal cost witness became ill just prior to the hearing; and that increases in revenues are urgently needed by members of the association. The California Manufacturers Association indicated that although it opposes increases of the magnitude sought in Petition No. 32, it has no objection to the increases resulting from the staff proposal.

Petitioner's counsel pointed out that it is unusual to place a portion of a single county in one rate territory and another portion in a different territory. He requested that all of Sonoma County be placed in Territory A, or that the minimum rate tariff include a map of Sonoma County showing in detail the physical features and communities lying adjacent to the dividing line of the territories. The division of Sonoma County, as proposed by the staff, reflects the wage costs encountered by carriers operating in different portions of that county, and appears to be reasonable. It will be adopted. A map delineating the portions of Sonoma County included in each rate territory will be provided in the tariff.

The Commission finds as follows:

1. The cost estimates of performing service by household goods carriers transporting hourly-rated shipments and for accessorial labor presented by the staff represent the costs of reasonably efficient carrier operations and are adopted for the purpose of adjusting the minimum hourly rates and accessorial charges set forth in Items Nos. 330 and 350 of Minimum Rate Tariff No. 4-B.

2. The rates, rules and accessorial charges, including revisions in the rate territories, proposed by the staff, will result in reasonable and nondiscriminatory minimum rates and charges for the services to which they apply, and should be adopted.

3. The rate increases resulting from the staff proposal are justified.

The Commission concludes that Petition No. 32 should be granted to the extent provided in the order which follows and in other respects should be denied, and that Petition No. 33 should be dismissed.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff No. 4-B (Appendix C of Decision No. 65521, as amended) is further amended by incorporating therein, to become effective January 1, 1968, Third Revised Page 2, First Revised Page 22, First Revised Page 24, Original Page 24-A, Fifth Revised Page 28, and Fifth Revised Page 29, attached hereto and made a part hereof.

2. In all other respects the aforesaid Decision No. 65521, as amended, shall remain in full force and effect.


3. Except as provided in ordering paragraph 1 hereof, Petition No. 32 is denied.


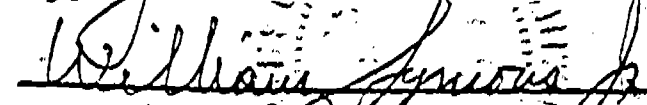
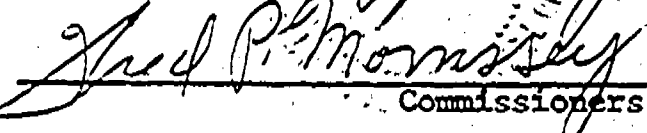
C. 5330 (Pets. 32 and 33) ds

4. Petition No. 33 is dismissed.

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

Dated at San Francisco, California, this 21<sup>st</sup> day of NOVEMBER, 1967.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
Commissioners

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

ARRANGEMENT OF TARIFF

This is a loose-leaf tariff arranged as follows:

- Section No. 1 - Rules and Regulations
- Section No. 2 - Regional and Territorial Descriptions
- Section No. 3 - Rates
- Section No. 4 - Forms of Document

TABLE OF CONTENTS	Item Number Except As Shown (Inclusive)
CORRECTION NUMBER CHECKING SHEET-----	Page 1
RATES AND ACCESSORIAL CHARGES-----	300-360
REGIONS AND TERRITORIES-----	200- <del>240</del>
SHIPPING DOCUMENT FORMS-----	400-420
IMPORTANT NOTICE TO SHIPPERS OF HOUSEHOLD GOODS FORM	430-432
ESTIMATED COST OF SERVICES FORM-----	440-441
TABLE OF MEASUREMENTS AND ESTIMATE FORM FOR SHIPPER'S USE-----	450-452
<b>RULES AND REGULATIONS:</b>	
Accessorial Charges Not to Be Offset by Transportation Charges-----	60
Alternative Application of Common Carrier Rates----	45
Alternative Application of Rates Named in This Tariff-----	55
Application of Tariff - Carriers-----	15
Application of Tariff - Commodities-----	20
Application of Tariff - Rates-----	70
Application of Tariff - Regional and Territorial---	17
Assessing or Quoting Additional Charges-----	110
Charges Collected by One Carrier for Another-----	35
Collection of Charges-----	190
Collect on Delivery (C.O.D.) Shipments-----	185-187
Computation of Distances-----	50
Computation of Time Under Hourly Rates-----	95
Confirmation of Shipping Instructions and Rate Quotation-----	145-150

(Continued on Original Page 2-A)

Change, Decision No. **73386**

EFFECTIVE JANUARY 1, 1968

Issued by the Public Utilities Commission of the State of California,  
 San Francisco, California.  
 Correction No. 85



SECTION NO. 2 - REGIONS AND TERRITORIES	Item No.
<p style="text-align: center;">APPLICATION OF REGIONAL AND TERRITORIAL DESCRIPTIONS</p> <p>1. Descriptions of Regions and Territories in Section No. 2 apply in connection with rates, rules and regulations making reference thereto.</p> <p>2. Where the written description of a Region or Territory conflicts with the map description of that same Region or Territory the written description will govern.</p>	200
<p style="text-align: center;">DESCRIPTION OF TERRITORIES</p> <p>TERRITORY "A" consists of the City and County of San Francisco and the Counties of Alameda, Contra Costa, Marin, San Mateo, Santa Clara and that portion of Sonoma County beginning at the junction of the Marin-Sonoma County line and Shoreline Highway (SSR 1); northerly along Shoreline Highway (SSR 1) to Petaluma Valley Ford Road; easterly on Petaluma Valley Ford Road to Roblar Road; easterly on Roblar Road to Stony Point Road; southeasterly on Stony Point Road to West Railroad Avenue; northeasterly and easterly on West Railroad Avenue and East Railroad Avenue to Petaluma Hill Road; northerly on Petaluma Hill Road to Roberts Road; northeasterly on Roberts Road and Pressley Road to Sonoma Mountain Road; easterly on Sonoma Mountain Road to Warm Springs Road; southeasterly on Warm Springs Road to Arnold Drive; northeasterly on Arnold Drive to Sonoma Highway (SSR 12); northerly on Sonoma Highway (SSR 12) to Trinity Road; northeasterly on Trinity Road to the Sonoma County line; southerly and northwesterly along the Sonoma County line to point of beginning.</p> <p>TERRITORY "B" consists of the Counties of Del Norte, Fresno, Humboldt, Madera, Mendocino, Merced, Napa, Sacramento, Solano, San Joaquin, Stanislaus, Yolo and that portion of Sonoma County not included in Territory "A".</p> <p>TERRITORY "C" consists of all counties in the state not included in Territories "A" and "B".</p>	ø210
<p>ø Change, Decision No. <span style="float: right;">73386</span></p>	
<p>EFFECTIVE      JANUARY 1 , 1968</p>	
<p>Issued by the Public Utilities Commission of the State of California,  <span style="float: right;">San Francisco, California.</span>                  Correction No. 86</p>	

First Revised Page ..... 24  
Cancels  
Original Page ..... 24

MINIMUM RATE TARIFF NO. 4-B

SECTION NO. 2--REGIONS AND TERRITORIES (Continued)

ØItem No. 230

(MAP TO BE FURNISHED IN PRINTED FORM)

Ø Change, Decision No. 73386

EFFECTIVE JANUARY 1, 1968

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.  
Correction No. 87

SECTION NO. 2--REGIONS AND TERRITORIES (Concluded)

\*Item No. 240

(MAP TO BE FURNISHED IN PRINTED FORM)

\* Addition, Decision No. 73386

EFFECTIVE JANUARY 1, 1968

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.  
Correction No. 88

SECTION NO. 3 - RATES (Continued)				Item No.													
RATES IN CENTS PER HOUR (1) (2) (Applies for Distances of 50 Constructive Miles or Less)																	
	TERRITORY (3)																
Unit of Equipment:	A	B	C														
(a) with driver .....	1140	1060	1000	◊330													
(b) with driver and 1 helper .....	2000	1840	1700														
Additional helpers, per man .....	700	600	520														
Minimum charge - the charge for one hour.																	
(1) See Item No. 70 for application of rates.																	
(2) See Item No. 95 for computation of time.																	
(3) See Item No. 210 for territorial descriptions.																	
DISTANCE RATES IN CENTS PER PIECE (1) (2) (Applies to Shipments of Not More Than 5 Pieces for Distances of 50 Miles or Less)																	
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">FIRST PIECE</th> <th rowspan="2" style="text-align: center;">Each Addi- tional Piece</th> </tr> <tr> <th colspan="3" style="text-align: center;">MILES (3)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Not Over 10</td> <td style="text-align: center;">Over 10 but not Over 20</td> <td style="text-align: center;">Over 20</td> <td rowspan="2" style="text-align: center;">310</td> </tr> <tr> <td style="text-align: center;">900</td> <td style="text-align: center;">1680</td> <td style="text-align: center;">2350</td> </tr> </tbody> </table>			FIRST PIECE			Each Addi- tional Piece	MILES (3)			Not Over 10	Over 10 but not Over 20	Over 20	310	900	1680	2350	340
FIRST PIECE			Each Addi- tional Piece														
MILES (3)																	
Not Over 10	Over 10 but not Over 20	Over 20	310														
900	1680	2350															
(1) See Item No. 70 for application of rates																	
(2) Rates in this item will not apply to split pickup or split delivery shipments, or storage in transit privileges.																	
(3) See Item No. 50 for computation of distances.																	
◊ Increase, Decision No. <b>73386</b>																	
EFFECTIVE JANUARY 1, 1962																	
Issued by the Public Utilities Commission of the State of California, San Francisco, California. Correction No. 89																	

SECTION NO. 3 - RATES (Concluded)			Item No.
ACCESSORIAL RATES			
Rates in Cents per Man per Hour (1) (2) (3)			
Packing ) Unpacking )	TERRITORY (4)		0310
	A	B C	
840	780 720		
Minimum Charge - The charge for one hour.			
<p>(1) See Item No. 70 for application of rates.</p> <p>(2) See Item No. 95 for computation of time.</p> <p>(3) Rates do not include cost of materials. (See Item No. 360.)</p> <p>(4) See Item No. 210 for description of territories.</p>			
RATES AND CHARGES FOR PICKING UP OR DELIVERING SHIPPING CONTAINERS AND PACKING MATERIALS			
<p>1. In the event new or used shipping containers, including wardrobes, are delivered by the carrier, its agents, or employees, prior to the time shipment is tendered for transportation, or such containers are picked up by the carrier, its agents or employees subsequent to the time delivery is accomplished, the following transportation charges shall be assessed: (See NOTE 1)</p> <p style="margin-left: 40px;">Each container, set up ----- 150 cents</p> <p style="margin-left: 40px;">Each bundle of containers, folded flat --- 150 cents</p> <p style="margin-left: 40px;">Minimum charge, per delivery ----- 695 cents</p>			360
<p>2. (a) Shipping containers, including wardrobes (See NOTE 2) and packing materials which are furnished by the carrier at the request of the shipper will be charged for at not less than the actual original cost to the carrier of such materials, F.O.B. carrier's place of business.</p> <p>(b) In the event such packing materials and shipping containers are returned to any carrier, participating in the transportation thereof when loaded, an allowance may be made to the consignee or his agent of not to exceed 75 percent of the charges assessed under the provisions of paragraph 2(a).</p>			

NOTE 1.--If the hourly rates named in Item No. 330 provide a lower charge than the charge in paragraph 1 of this item such lower charge shall apply.

NOTE 2.--No charge will be assessed for wardrobes on shipments transported at the rates provided in Item No. 330.

◇ Increase, Decision No. **73386**

EFFECTIVE JANUARY 1, 1968

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.

Correction No. 90