

ORIGINAL

Decision No. 74532

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
into the constructive mileages, and)
related rules and provisions of all)
common carriers, highway carriers)
and city carriers, relating to the)
transportation of any and all com-)
modities between all points in)
California (including, but not)
limited to, constructive mileages)
provided in the Distance Table).)

Case No. 7024
(Order Setting Hearing -
Decision No. 74130, dated
May 21, 1968)

And related matters.

Cases Nos. 5330, 5432, 5433,
5436, 5437, 5438, 5439, 5440,
5603, 5604 and 7857

(Appearances are listed in Appendix A)

O P I N I O N

Decision No. 74130, dated May 21, 1968, in the captioned continuing minimum rate proceedings stated that the Commission's Transportation Division was preparing exhibits proposing adjustments of Distance Table 6 designed to reflect the increase in maximum legal speed for motor trucks or truck tractors to 55 miles per hour from the previous 50 miles per hour (Section 22406, Vehicle Code, effective November 8, 1967) and to improve and update the distance table in other respects. Said decision ordered that hearings be held in Case No. 7024 for receipt of evidence concerning the adjustments that may be appropriate to reflect revised constructive mileages, the addition of new points and routes, the revision of maps and related matters. Also it ordered that hearings be held concurrently in the appropriate investigation proceedings relating

to minimum rate tariffs governed by the distance table for the purpose of determining to what extent said minimum rate tariffs should be modified because of revision of the distance table.

A duly noticed public hearing was held before Examiner Mallory on June 17, 1968 at San Francisco and June 20, 1968 at Los Angeles, and the matter was submitted subject to the filing of late filed Exhibit No. 3 which was filed on July 1, 1968. Evidence was submitted by two representatives of the Commission's Transportation Division staff, by a traffic consultant and by a shipper's representative.

A senior transportation engineer and an associate transportation rate expert jointly prepared and presented into evidence proposed Distance Table 7 (Exhibit 1). The staff witnesses testified as follows:

The principal change from Distance Table 6 is the revision of constructive mileages to reflect the increase in the maximum speed limit for trucks from 50 to 55 miles per hour. In developing the revised constructive mileages, no change was made in the basic formula for determining constructive mileages, as set forth in Exhibit 3, received in evidence on April 11, 1961, in the proceeding in Case No. 7024 leading to the establishment of Distance Table 5. A standard speed of 55 MPH was substituted in the formula for the standard speed of 50 MPH used in connection with constructive mileage developments in Distance Tables 5 and 6. Increasing the standard speed for Distance Table 7 results in decreases in constructive mileages for freeways and roads rated at or slightly below the maximum speeds. Other roads given slower ratings because

of lower maximum speed limits, congested traffic conditions, difficult gradients, poor condition of roadbed or for other reasons will have an increase in constructive mileage.

The Commission staff also proposed changes to reflect current highway conditions. The proposed distance table contains the addition of several segments of freeway routes and access roads added to the federal and state highway system since the last revision of the distance table. Such changes reflect not only route segments now in operation but also routes presently under construction scheduled for completion in time for use in Distance Table 7. The constructive mileages for the latter segments were determined from review of plats and profiles of the new routes in the files of the State Division of Highways. Changes based on new freeway routes generally result in reductions in constructive mileages. The witness explained that there were both reductions and increases in constructive mileages in the proposed table which tend to be offsetting on an overall basis.

Shippers, carriers and other interested parties were requested by a letter dated November 16, 1967 to inform the staff before January 1, 1968, of their suggested changes in the distance table, so that the staff could evaluate them for inclusion in the current proposed revision. The comments and suggestions of interested parties were collectively received in evidence as Exhibit 3 (late-filed). The many comprehensive changes proposed by interested parties were reviewed by the staff. Several were adopted and incorporated in proposed Distance Table 7. Other proposals were not adopted because of limitations of time.

Included in proposed Distance Table 7 are a number of new mileage basing points. Forty-two new red points have been

added, most of which were previously black points.^{1/} The addition of said points increases the number of red points from 743 to 784 (one red point was deleted). Altogether there are 4078 mileage basing points in Distance Table 6 (DT6) and 4125 in Distance Table 7 (DT7). Many of the new mileage basing points were added at the suggestion of interested parties; others were proposed because of changes in routes adopted because of new freeway alignments and for the purpose of simplifying the use of the table. The least-mileage routes between mileage basing points were selected by computer, and the mileage tables were printed from computer run-outs.

A review was made of metropolitan zone and extended area descriptions and the location of mileage basing points. Descriptions and basing point locations were revised to show current street names. Rules and definitions also were reviewed. It is proposed that a definition of "constructive mileage maps" be added to clarify the application of Rule 3 in determining constructive mileages between mileage basing points.

The four basic constructive mileage maps now included in DT6 were redrawn to show the revised constructive mileages between all points and were also revised to include the additional mileage basing points. The remaining maps included in the Book of Maps to DT6 will also be revised to show the changes in metropolitan

^{1/} Constructive mileages between all red points are set forth in Section 3 of the distance table. Such points also appear on the constructive mileage maps. Mileages are not computed between black points and numbered junctions. Such points appear only on the constructive mileage maps.

zone boundaries and boundaries for described extended areas. These boundaries will be reproduced on the most current copyrighted automobile club maps.^{2/} The maps, other than constructive mileage maps, to be contained in Part 2 of DT7 were not reproduced for the hearing due to the expense of reproducing them in preliminary exhibit form. Part 2 of DT7 will be in the same format as the present separate Table of Maps. The staff proposed that the four basic constructive mileage maps which are contained both in Distance Table 6 and in its accompanying Book of Maps be included only in Part 2 of DT7, to save printing and reproduction costs, and because only one complete set is necessary for the user of the tariff. Said maps will be printed on heavier paper and will contain a lesser number of folds than those included in Distance Table 6, and thus should not wear out as quickly as maps printed on lighter paper and containing several more folds.

The staff witnesses proposed that Exhibit 1 (except for the constructive mileage maps) be adopted as Part 1 of Distance Table 7; that the four basic constructive mileage maps, and revised maps delineating metropolitan zones, metropolitan zone groups and described extended areas, be adopted as Part 2 of Distance Table 7; that Distance Table 7, so adopted, be made effective January 1, 1969; and that minimum rate tariffs governed by Distance Table 6 be amended to show that the tariffs will be governed by Distance Table 7.

The staff witnesses testified that the current revision of the distance table departed from the biennial schedule for

^{2/} Said maps were made available to the Commission without cost.

revisions as announced by the Commission in Decision No. 72081, dated February 28, 1967, in Case No. 7024, because of the urgency in incorporating in the distance table the change in speed limit resulting from legislative action in November, 1967. The staff proposed no change in the schedule announced in Decision No. 72081 for future revisions of the distance table.

Extensive cross-examination of staff witnesses was conducted by a representative of California Trucking Association (CTA). The representative, in a closing statement, requested that the staff proposals in this proceeding be adopted, and that an order be issued herein as promptly as possible.

The representative stated that CTA, through its Shipper - Carrier Committee, had acted as a clearing house for numerous requests of interested parties concerning specific changes in the distance table; that many of the suggested changes were not adopted in Exhibit 1; that CTA recognized and concurred in the necessity to expedite the work underlying Exhibit 1 so that the changes resulting from an increase in speed limit could be placed in effect promptly; and that time and available manpower limited the number of suggestions initiated by interested parties that could be investigated by the staff. The CTA representative urged that the suggested changes recommended by interested parties which were not incorporated in DT7 be investigated by the Commission staff in the period between the adoption of Distance Table 7 and the next revision of the table. He asked that the Commission authorize its staff to conduct such investigation and that the staff be directed to report on the result of such investigation in the next hearing involving a general revision of the distance table.

The CTA representative also opposed a biennial revision of the distance table. He stated that the table should be revised more frequently than on a two-year cycle when a major change has occurred, such as a change in maximum speed limits for trucks, and on a less frequent basis in the period when major changes have not occurred in factors affecting constructive mileages.

A traffic consultant testifying on behalf of a grain dealer and for a highway permit carrier sought to have added to the constructive mileage maps a portion of Colusa Avenue between Mt. Whitney Avenue and Fresno-Coalinga Road in Fresno County, and also have added as black points the V. I. Sandell Ranch (near Numbered Junction 3435) and Harris Feeding Co. (between Numbered Junctions 3149 and 3435). According to the witness approximately 300 tons of grain grown in the area north of Colusa Avenue is moved annually to V. I. Sandell Ranch and Harris Feeding Co. The constructive mileage for such movements, and the resulting transportation rates, would be reduced if the proposal is adopted. A Commission staff witness testified that, while this proposal could be accomplished in Distance Table 7, it would hold up the preparation of the distance table maps and would require costly revisions thereto.

A representative of Industrial Asphalt Company developed through cross-examination of staff witnesses that recent improvements in the road between Bishop and Lake Sabrina had not been taken into consideration by the staff in the preparation of Exhibit 1. The representative indicated that temporary movements of liquid asphalt had been made to locations along the road, but he did not believe that shipments of asphalt would be made after January 1, 1969.

He requested that the staff investigate current road conditions between Bishop and Lake Sabrina and revise the constructive mileages in Distance Table 7 between these points.

A witness appearing for the Pioneer Division of the Flintkote Company opposed the staff proposal that the basic constructive mileage maps be eliminated from Part 1 of the table. The witness testified that it was more convenient for him to use the maps if they were included in Part 1, as Part 2 is unwieldy in size and difficult to store for immediate use.

Discussion

The principal purpose for the current revision of the distance table is to incorporate therein the changes in constructive mileages resulting from the increase in the maximum speed limit for trucks and truck-tractors effective November 8, 1967. Other changes resulting from inclusion of new freeway routes and the addition of new points were incidental to this purpose. In order that the changes resulting from legislative action be made effective as early as possible, many changes suggested by interested parties could not be fully investigated.

Proposals made at the hearing concerning the inclusion of additional roads and points and the re-evaluation of routes will require a field survey by the staff for the determination of appropriate changes in the table. However, to do so in connection with the current revision of the distance table would unduly delay the printing and publication of the table, which should be in the hands of tariff users well before the scheduled effective date of January 1, 1969. The Commission staff will make the appropriate

studies and recommendations, and will present them at the hearing in the next revision of the distance table. The staff also will evaluate all of the suggestions and comments received from interested parties (as reflected in Exhibit 3) which were not adopted in Exhibit 1, and will be prepared to report on such evaluation in a future hearing.

The suggestion to include the four basic constructive mileage maps only in Part 2 has merit and will be adopted. On balance, it appears that the greater number of users of the table will benefit by such an arrangement. The size of Part 1 will be reduced and printing and distribution costs lowered by eliminating the set of four maps from Part 1.

Findings and Conclusions

The Commission finds that:

1. Part 1 of Distance Table 7, as set forth in Exhibit 1 herein, and Part 2 of Distance Table 7 to consist of constructive mileage maps set forth in Exhibit 1 together with maps delineating metropolitan zones, metropolitan zone groups, extended areas and territories described in Part 1, contain the reasonable constructive mileages and governing rules to be used in connection with the minimum rates on a mileage basis established by this Commission, in place of Distance Table 6.

2. Constructive mileages set forth in Distance Table 7, when applied in connection with the minimum rate tariffs subject thereto, will result in just, reasonable and nondiscriminatory minimum rates for the transportation of property governed by said tariffs.

3. Increases in rates resulting from the application of constructive mileages in Distance Table 7 are justified.

4. The provisions of Distance Table 7 are and will be reasonable provisions for the transportation of property by common carriers as defined in the Public Utilities Code.

We conclude that Distance Table 7, as described in Finding 1, above, should be adopted, effective January 1, 1969, to supersede Distance Tables 5 and 6 and that the minimum rate tariffs now referring to Distance Tables 5 or 6 should be amended accordingly. The distribution of Distance Table 7 and amendments to the various minimum rate tariffs will be accomplished by subsequent orders.

We further conclude that the announced policy set forth in Decision No. 72081 concerning biennial revision of the distance table should be modified, and that subsequent revisions of the distance table should be undertaken only when a major change in a factor or factors relating to constructive mileage determinations has occurred. When such event occurs, the Commission will provide ample opportunity for interested parties to present their views as to other changes in the routes, mileage basing points or rules which the parties desire to have accomplished simultaneously. The Commission's Transportation Division staff will carefully review all of the suggestions of interested parties furnished in response to the staff letters of November, 1967, which, for reasons of lack of available time or manpower, were not adopted as part of the current revision of the distance table. The staff will report on its analyses of these suggestions in the next proceeding involving

a major revision of the distance table. It will be helpful to the staff if a schematic diagram or co-ordinate map reference is furnished as to each point or road which interested parties desire to have added to the distance table.

O R D E R

IT IS ORDERED that:

1. The mileages, maps, rules and other provisions specified in Finding 1 of the preceding opinion are hereby adopted as Distance Table 7 to supersede Distance Tables 5 and 6, effective January 1, 1969.

2. By subsequent orders in these proceedings Distance Table 7 will be served upon respondents and parties of record, and the necessary amendments will be made to those minimum rate tariffs now referring to Distance Tables 5 and 6.

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

Dated at San Francisco, California, this 15th
day of AUGUST, 1968.

William S. Bennett
President

D. E. Mitchell

August

Commissioners

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

-11- Commissioner Fred P. Morrissey, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

LIST OF APPEARANCES

FOR RESPONDENTS:

Armand Karp, for Nielsen Freight Lines; Harold Hudson, for Allyn Transportation; W. M. Greenham and Frank Corsello, for Pacific Motor Trucking Company; Harold F. Culy, for Thompson Bros. Freight Forwarding Company, Inc.; W. Goodman, for Ventura Transfer Co.; H. B. Johnston, Jr., for Citizen's Warehouse Co., Inc.; F. S. Kohles, for Valley Motor Lines, Inc., Valley Express Co., and Consolidated Copperstate Lines; C. T. Schneider for Allyn Transportation; and Marshall A. Smith, Jr., for Forest D. Morgan.

INTERESTED PARTIES:

J. C. Kaspar, A. D. Poe and H. F. Kollmyer, for California Trucking Association; E. J. Bertana, for Pacific Cement & Aggregates; Asa Button, for Spreckels Sugar Company; James M. Cooper, for San Francisco Chamber of Commerce; Ralph Hubbard, for California Farm Bureau Federation; David B. Porter, for Canners League of California; John P. Grady, for International Paper Company; Ronald M. Zaller, for Continental Can Company, Inc.; John T. Reed, for California Manufacturers Association; J. R. Copeland by Beverly Mitchell, for Holly Sugar Corporation; Jefferson H. Myers, for San Francisco Port Authority; S. A. Moore and David K. Graham, for Kaiser Cement & Gypsum Corporation; Gordon A. Rodgers, for Allied Chemical Corporation; N. I. Molaug, for J. C. Penney Company; D. R. Ranche, for Standard Brands, Inc.; R. N. Homlied, for P & G Distributing Company; George Watson, for Douglas Oil Company of California; C. F. Waterman and Harlan Willcutt, for Pacific Western Industries; John H. Vail and George H. Roe, for California Portland Cement Co.; George B. Shannon, for Southwestern Portland Cement Company; John B. Robinson, for Loretz and Co.; Eugene R. Rhodes, for Monolith Portland Cement Co.; Anthony P. Reiland and T. Grace, for Getty Oil Company; James Quintrall, for Los Angeles Warehousemen's Association; William Mitze, for American Cement Corp.; Howard E. Myers, for Freight Advisory Service; D. H. Marken, for Traffic Managers Conference of California; C. Fred Imhoff, for Industrial Asphalt, Inc.; K. C. Delaney, for Los Angeles Chamber of Commerce; C. H. Caterino, for Pioneer Division, The Flintkote Company; and Marshall A. Smith, Jr., for Harris Feeding Company.

FOR THE COMMISSION STAFF:

R. J. Carberry and Robert E. Walker.