ORIGINAL

Decision No. 75511

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

100 1 - 11 to

In the Matter of the Investigation ) into the rates, rules regulations, ) charges, allowances, and practices ) of all common carriers, highway car-) riers, and city carriers relating ) to the transportation of property within San Diego County (transportation for which rates are provided in Minimum Rate Tariff No. 9-B).

Case No. 5439
Petition for Modification
No. 83
(Filed December 10, 1968)

Arlo D. Poe, H. F. Kollmyer and J. C. Kaspar, for California Trucking Association, petitioner.

Rodney A. Starkey, for Pacific Messenger Service;

Norman Ralph Ludolph, for Coast Delivery
Service; John Robert Chamberlain and Olin J.

Lucas, for Aztec Transportation Service, Inc., respondents.

J. M. Jenkins and R. J. Staunton, for the Commission staff.

#### INTERIM OPINION

Minimum Rate Tariff No. 9-B (MRT 9-B) contains minimum rates for the transportation of general commodities between points in the San Diego Drayage Area. In this proceeding, California Trucking Association (CTA) seeks increases in said rates to reflect increases in labor and other costs occurring since the rates were last adjusted pursuant to Decision No. 73820 dated March 5, 1968, in Case No. 5439, Petition No. 65. The increases sought average 5 percent.

Public hearing was held and the matter submitted in San Diego on January 23, 1969, before Examiner Mallory. Evidence was adduced by CTA's assistant director of its Division of Transportation Economics. The Commission staff opposed the amount of the sought increases in rates on grounds which are explained hereinafter.

The rates and charges in MRT 9-B reflect carrier labor costs and allied payroll expenses as of April 1, 1968 (except for a cost-ofliving wage increase effective on April 1, 1968). Said rates and charges were effective April 27, 1968. Petitioner's witness testified that since the last revision of the rates and charges in MRT 9-B, the cost of transporting property by motor vehicle has increased and will further increase. The principal cost increases involved are in wage rates, fringe benefits, Workmen's Compensation Insurance and collection costs. Under existing collective bargaining agreements wage increases averaging about 5-1/2 percent will become effective April 1, 1969 for drivers, helpers and freight handlers. An exhibit was introduced by the witness setting forth in detail the effect of these changes in operating costs. In addition to the annual contractual changes in basic wage rates and fringe benefits the witness included in his study provision for the cost-of-living increase incurred on April 1, 1968 and not included in his prior study, and the estimated cost-of-living increase which will be incurred on April 1, 1969. Also an adjustment was made in the costs for Workmen's Compensation Insurance and for collection costs.

The effect of these changes was developed by the witness by updating a similar exhibit presented in evidence in Petition No. 65 (Exhibit No. 65-1). The current exhibit (Exhibit No. 83-1) assertedly was developed in the same manner as the prior exhibit. In both exhibits, the witness stated, an increment of cost was added to reflect increased collection charges assessed by Transport Clearings.

Decision No. 73820, supra, disallowed the inclusion of the increase in Transport Clearings' collection charges, stating "to this extent the cost presentation deviates from normal 'labor offset' procedures". All other increments of increased costs, including increased indirect expenses as developed by petitioner in its Exhibit 65-1, were adopted in said decision as the basis for a "labor offset" increase in minimum rates.

C. 5439, Pet. 83 Mjo The direct costs, as developed by the witness in his study, were further increased for indirect expenses and gross revenue expenses by using the same ratios to direct expenses as were used by petitioner in its prior studies. The rates and charges proposed by petitioner, as reflected in Exhibit 83-3, were developed by the witness by increasing the current rates and charges by the same percentages as the percentage increases in related costs set forth in Exhibit 83-1. This type of rate proceeding is commonly referred to as a "labor offset" or "cost offset" rate adjustment proceeding. On motion of the Commission staff a letter dated October 31, 1968 from the Secretary of the Commission to Interested Parties was introduced into the record (Exhibit 83-4). Said letter reads, in part, as follows:

"In wage offset proceedings, only labor costs specifically changed by labor agreements (including changes responsive to statutory requirements) which are identifiable in the cost development should be measured for proposed rate adjustments.

"Elements of expense other than direct labor, as well as labor costs changed by agreement but not set forth specifically in the original cost presentation, are not deemed appropriate justification for rate adjustments in wage offset proceedings.

"The Commission has approved the foregoing statement."

The Commission staff, in its closing statement, moved that cost factors other than those related to changes in direct labor costs and fringe benefits not be considered herein, in face of the letter

<sup>2/</sup> On motion of CTA's counsel, a series of subsequent letters between the Secretary of the Commission and CTA were also introduced. (Exhibits 83-5, 83-6 and 83-7.) The letters are requests for interpretation of the October 31, 1968 letter from CTA and replies thereto. In the lest letter replying to CTA's inquiries, the Secretary of the Commission indicated that the October 31, 1968 letter to Interested Parties was "advisory".

of October 31, 1968 to Interested Parties. The staff further moved that consideration of cost elements which it urged should be excluded from consideration herein should be deferred to the next proceeding in which a full-scale cost study is introduced.

The particular portions of the costs which the staff would have excluded herein are the increases for indirect expenses, Transport Clearings' charges, and the public liability and property damage insurance portion of gross revenue expenses. Other than the Transport Clearings' charges, such costs were developed as a percentage of the total changes in direct costs measured in the witness's study in Exhibit 83-1, using ratios set forth in prior studies. According to the record, if no provision is made for indirect costs, the rate proposals of petitioner would be reduced by approximately 0.7 to 0.8 percent.

Counsel for petitioner strongly opposed the position taken by the staff. He argues substantially as follows: The studies introduced in this proceeding were prepared in the same manner and follow the same pattern as studies introduced by petitioner in prior proceedings and adopted by the Commission as a basis for adjusting rates in MRT 9-B. This record does not disclose any reason for departing from such historic method of adjusting rates on an offset basis, except for the Commission's advisory letter (Exhibit 83-4). No interested party had opportunity to participate in the discussions or deliberations which led to the issuance of said letter. If parties are to be bound by said letter without opportunity to present their

<sup>3/</sup> The record shows that neither CTA nor the staff has currently undertaken the development of a full-scale cost study for the San Diego Drayage Area.

views the end result is rule making by the Commission in a vacuum, and such procedure is arbitrary and unfair. On the other hand, if the letter is mercly advisory, petitioner has presented sufficient evidence to justify its rate proposals; said proposals are reasonable, and should be adopted by the Commission.

The record clearly demonstrates that since the last adjustment of rates and charges in MRT 9-B, for-hire carriers have been subject to, and on April 1, 1969, will be further subjected to, increases in certain of their operating costs. No provision is included in the current minimum rates for such increased operating costs.

The questions presented herein concerning the guidelines announced in the "Interested Party" letter dated October 31, 1968, should not be resolved on the basis of the limited presentation in this record. A determination of whether indirect expenses, insurance expense, and other increased costs not directly related to labor costs or taxes should form the basis for offset rate adjustments should be the subject of a further hearing. In the interim, only that part of the increased operating costs which relate to increased labor and payroll expenses and taxes should be reflected in the rate structure. Pending the receipt of additional evidence in a further hearing, the increases in rates and charges set forth in the tariff pages appended to the order have been shown to be appropriate and justified.

The Commission finds that the studies introduced by petitioner are reasonable and sufficient to serve as a basis for an "offset" adjustment in the rates and charges in MRT 9-B, except that the elements of cost for Transport Clearings' charges, indirect expenses and the insurance portion of gross revenue expenses should be

excluded herein. Except for the latter adjustments, the increased rates proposed herein are justified and will result in just, reasonable and nondiscriminatory rates.

It is expected that the Commission staff and petitioner will be prepared to present additional direct evidence at a further hearing concerning the cost factors which they deem appropriate to be included in wage offset or cost offset proceedings of this type. When the parties are ready to proceed with their further showings they shall notify the Commission so that a further hearing may be set.

The Commission further finds that to the extent that the provisions of Minimum Rate Tariff No. 9-B have been found heretofore to constitute reasonable minimum rates and rules for common carriers as defined in the Public Utilities Act, said provisions, as hereinafter adjusted, are, and will be, reasonable minimum rate provisions for said common carriers. To the extent that the existing rates and charges of said common carriers for the transportation involved are less in volume or effect than the minimum rates and charges herein designated as reasonable for said carriers, to that same extent the rates and charges of said carriers are hereby found to be, now and for the future, unreasonable, insufficient and not justified by the actual competitive rates of competing carriers or by the costs of other means of transportation.

In addition to increases in the rates and charges in Minimum Rate Tariff No. 9-B, petitioner's proposals in this matter also include a request that certain common carriers be authorized to make corresponding increases in their rates for the transportation of exempt commodities -- commodities which are not subject to the rates in Minimum Rate Tariff No. 9-B. Requests in this proceeding

for similar authority have heretofore been found to be justified in those instances in which the exempt commodities are transported at the level of the minimum class rates and under the same transportation conditions as those which apply to transportation which is subject to the minimum class rates. Inasmuch as in these circumstances the increased costs shown herein would also apply to the transportation of the exempt commodities, we find that increases authorized herein

for the exempt commodities are likewise justified.

In connection with the establishment of increased rates in conformity with the order herein, petitioner asks that common carriers be relieved from the long- and short-haul prohibitions of Article XII, Section 21, of the Constitution of California and Section 460 of the Public Utilities Code. Where common carriers have been heretofore authorized to depart from the long- and short-haul prohibitions, their outstanding authorities will be modified to the extent necessary to carry out the effect of the order herein.

The Commission concludes that Minimum Rate Tariff No. 9-B should be amended to incorporate the increased rates and charges herein found to be reasonable.

### INTERIM ORDER

#### IT IS ORDERED that:

1. Minimum Rate Tariff No. 9-B (Appendix A of Decision No. 67766, as amended) is further amended by incorporating therein, to become effective May 10, 1969, the revised pages attached hereto and listed in Appendix A also attached hereto, which appendix and pages by this reference are made a part hereof.

C. 5439, Pet. 83 Mjo 2. Common carriers subject to the Public Utilities Act, to the extent that they are subject also to said Decision No. 67766, as amended, are directed to establish in their tariffs the rate increases necessary to conform with the further adjustments herein of that decision. 3. Except as is otherwise stated hereinbelow, the increased class rates, minimum charges and accessorial charges which are established by ordering paragraph 1 hereof, be, and they hereby are authorized to be made applicable to the transportation of the commodities listed in Items Nos. 50 and 51 of Minimum Rate Tariff No. 9-B, by common carriers (as defined in Section 211 of the Public Utilities Act), except common carriers by railroad with respect to their carload rates and charges and common carriers by vessel, provided (a) that said transportation is performed between origins and destinations which are both located within the San Diego Drayage Area (as described in Minimum Rate Tariff No. 9-B); and (b) that said transportation is now subject to class rates in the tariffs of said common carriers. EXCEPTIONS: The rate increase authority which is granted by this paragraph does not apply: To transportation for which minimum rates apply in accordance with the provisions of other minimum rate tariffs of the Commission; and (2) To transportation which is being performed by dump or tank vehicles. 4. Tariff publications required or authorized to be made by common carriers as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than the tenth day after the effective date of this order, on not less than ten days notice to the Commission and to the public; such tariff publications as are required shall be made effective not later than May 10, 1969; and as to tariff publications which -8-

are authorized but not required, the authority herein granted shall expire unless exercised within sixty days after the effective date hereof.

- 5. Common carriers, in establishing and maintaining the rates 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 rates published under this authority shall make reference to the prior orders authorizing longand short-haul departures and to this order.
- 6. In all other respects said Decision No. 67766, as amended, shall remain in full force and effect.
- 7. The motion made by the Commission staff in this proceeding to defer consideration of indirect and related expenses to the next proceeding in which full scale studies are presented is denied.

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

	Dated at	San Francisco	_, California, this _/st
day of _	LPRIL.	, 1969.	
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Commissioners

# APPENDIX A TC DECISION NO. 75511

# List of Revised Pages to Minimum Rate Tariff No. 9-B Authorized by Said Decision

Fifth Revised Page 21

Fifth Revised Page 22

Fifth Revised Page 29

Fifth Revised Page 31

Sixth Revised Page 34

Seventh Revised Page 44

First Revised Page 44-A

Seventh Revised Page 47

Sixth Revised Page 49

(END OF APPENDIX A LIST)

SECTION NO. 1 - RULES AND RE	GULATIONS (Co	ontinued)	Item No.
ACCESSORIAL S	ERVICE		
When carrier performs any service which is not authorize rates named in this tariff, ar otherwise provided, additional as provided in Item No. 140. for unit of equipment shall arrial or incidental service retained the unit of equipment is inacted driver or helper being engaged	ed to be perford for which a licharges shall the charge the pply whenever quires its use tivated by reasons.	ormed under a charge is not ll be assessed herein provided the accesso- e, or whenever ason of its	120
DELAYS TO EQU	JIPMENT		
When consignor or consigned delay to carrier's equipment a point of loading or point of minutes (exclusive of time act or unloading), additional charexcess of 30 minutes shall be Item No. 140.	at or in vicing in equally involved	nity of either excess of 30 ed in loading y time in	130
CHARGES FOR ACCESSORIAL	SERVICES OR D	PTAVS	
			ſ
For accessorial services conditions specified in Items shall be assessed for each peras follows:	or delays und	der the 130, charges	
conditions specified in Items shall be assessed for each per	or delays und	der the 130, charges ion thereof, in Cents	(T.40)
conditions specified in Items shall be assessed for each per	or delays und Nos. 120 and riod or fract:  Charges: For First	der the 130, charges ion thereof,	ø140
conditions specified in Items shall be assessed for each per	or delays und Nos. 120 and riod or fract:  Charges: For First	der the 130, charges ion thereof,  in Cents For Each Additional	ø140
conditions specified in Items shall be assessed for each per as follows:  (a) For driver, helper or other employee,	or delays und Nos. 120 and riod or fract:  Charges  For First 30 Minutes	der the 130, charges ion thereof,  in Cents  For Each Additional 15 Minutes	ø140
conditions specified in Items shall be assessed for each per as follows:  (a) For driver, helper or other employee, per man  (b) For unit of equip-	or delays und Nos. 120 and riod or fract:  Charges  For First 30 Minutes  0390	der the 130, charges ion thereof,  in Cents For Each Additional 15 Minutes	ø140
conditions specified in Items shall be assessed for each per as follows:  (a) For driver, helper or other employee, per man  (b) For unit of equipment	or delays und Nos. 120 and riod or fract:  Charges  For First 30 Minutes  0390  30	der the 130, charges ion thereof,  in Cents For Each Additional 15 Minutes	Ø140

SECTION NO. 1 - RULES AND REGULATIONS (Continued)	Item No.
CHARGES FOR ESCORT SERVICE	
In addition to all other applicable rates and charges named in this tariff, the following charges shall be assessed on shipments requiring escort service:	
(a) A charge of \$\$8.35 per hour, plus 9 cents per actual mile, shall be made for each escort vehicle and driver furnished, for the time and distance said vehicle and driver are engaged in such service. (See Notes 1 and 2)	
(b) A charge shall be made equal to the actual cost of any bridge or ferry tolls incurred for each escort car.	
NOTE 1Service shall commence with departure of each escort vehicle from its point of dispatch and terminate with the return of each escort car to its point of dispatch, excluding off-duty hours.	ø150
NOTE 2Charges for fractions of an hour shall be determined in accordance with the following table:	
MINUTES But Over Not Over  0 8 omit	
8 23 shall be % hour 23 38 shall be % hour 38 53 shall be % hour 53 60 shall be % hour	
CHARGES FOR PERMIT SHIPMENTS	
In addition to all other applicable rates and charges named in this tariff, the following charges shall be assessed on shipments requiring transportation permits:	
(a) A charge of o\$10.00 shall be made for the service of securing each permit, and	ø160
(b) A charge shall be made equal to the fee, if any, assessed by the governmental agency for issuing each permit.	
ø Change ) ¢ Increase ) Decision No. 75511	
EFFECTIVE MAY 10, 1969	
Issued by the Public Utilities Commission of the State of Calif San Francisco, Calif Correction No. 97	ornia, ornia.

SECTION NO	. 1 - RULES AND REGU	LATIONS (Continued)	Item No.				
MINIMUM CHARGE  Except as otherwise provided, the minimum charge per shipment shall be as follows: (See Note)  Weight of Shipment (In Pounds)  But							
<u>Over</u> 0	Not Over 25	<u>Charge (In Cents)</u> 240					
25	50	280					
50	75	320					
<b>75</b> -	100	340					
100	150	365					
150	200	395	<b>0210</b>				
200	250	420					
250	300	445					
300	400	480					
400	500	520					
500.	600	575					
600	700	630					
700	800	3 <b>65</b>					
800	900	730					
900		800					
NOTEWill visions of Item	not apply on shipme No. 420.	nts made under the pro-					

♦ Increase, Decision No. 75511

EFFECTIVE MAY 10, 1969

SECTION NO.	1RULES AND REGULATIONS (Continued)	Item No.
<del></del>		

#### \*\*POOL LOT

(a) For the service of segregating, or unloading and segregating, a pool lot, the following shall be assessed for each shipment destined to points in the San Diego Drayage Area, in addition to transportation rates:

#### Merchandise classified as:

Class:	100	924	85	773	70	65	60_	55	50
Rates in cents per 100 pounds:	35	33	31	29 <del>3</del>	27½	26축	257	24 2	23

- (b) Classification ratings shall be based upon the LTL (less-truckload) ratings in the Governing Classification, Sections Nos. 2-A or 2-C of the Exception Ratings Tariff, or this tariff.
- (c) Articles taking a rating higher than Class 100 shall be computed upon the percentage of the Class 100 rating, as set forth in the Governing Classification, Sections Nos. 2-A, 2-B or 2-C of the Exception Ratings Tariff, or this tariff, except that shipments consisting of articles rated higher than Class 150 in the Governing Classification, Sections Nos. 2-A, 2-B or 2-C of the Exception Ratings Tariff, or this tariff shall be subject to the rates applicable for Class 150.

0230

- (d) No additional charge shall be made under this item on shipments for which transportation charges are based on a minimum weight of 20,000 pounds when the carrier performing the distribution service receives a transportation charge on such shipment from the distribution point.
  - (e) See Item No. 220 for mixed shipments.
- (f) When a pool lot is segregated at and delivery is made from carrier's established depot, said depot will be considered as being located within Metropolitan Zone 301 for the purpose of assessing transportation charges under this tariff, and transportation rates shall be applied from Metropolitan Zone 301 as point of origin.
- (g) Rates named in this item alternate with rates for the same services contained in tariffs filed with the Commission pursuant to the provisions of the Public Utilities Act, and in effect on the date the services are performed.

EFFECTIVE MAY 10, 1969

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

Correction No. 99

Sixth Revised Page ..... 34 Cancels MINIMUM RATE TARIFF NO. 9-B Fifth Revised Page ..... 34 Item SECTION NO. 1 - RULES AND REGULATIONS (Continued) No. SPLIT DELIVERY The rate for transportation of a split delivery shipment shall be the rate applicable for the rate base determined as follows: When point of origin and all points of destination are within a single zone, apply rate for rate basis B, subject to Notes 1, 2, and 3; (b) When point of origin and all points of destination are within the area encompassed by two adjoining Metropolitan Zones, apply rate for rate basis C, subject to Notes 1, 2, and 3 (Metropolitan Zone 305 does not adjoin any other zone, except Metropolitan Zone 311, for the purposes of this rule); (c) For all other shipments, apply rates for rate basis F, subject to Notes 1, 2, and 3. NOTE 1.-For each split delivery shipment a single bill of lading or shipping order shall be issued. It shall describe the kind and quantity of property for the entire shipment, and bear the date such property is physically accepted by the carrier. At the time of or prior to the tender of the shipment the carrier shall be ø300 furnished with written instructions showing the name of each consignee, the point or points of destination, and a description of the kind and quantity of property in cach component part of the split delivery shipment. NOTE 2.-If shipping instructions do not conform with the requirements of Note 1 hereof, each component part of the split delivery shipment shall be rated as a separate shipment under other provisions of this tariff. When shipping instructions do conform with the requirements of Note 1 hereof, component parts of split delivery shipments shall not be treated as separate shipments. NOTE 3.-In addition to the rate for transportation, the following additional charges shall be assessed for split delivery service: Weight of Component Split Delivery
Charge for Each Parts (Pounds) But Not Over Component Part in Cents Over 500 175 500 1000 ~~~~~~~~~ 210 1000 2000 305 2000 4000 ------425 4000 10000 -----485

575

10000

NOTE 4.-Rates provided in this tariff do not apply to transportation of split delivery shipments unless point of origin and all points of destination are within the San Diego Drayage Area. When point of origin or one or more points of destination are located outside of the San Diego Drayage Area, rates in Minimum Rate Tariff No. 2 shall apply.

ø Change ) Decision No. 75511 ♦ Increase )

EFFECTIVE MAY 10, 1969

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

Correction No. 100

SECT	SECTION NO. 2 - RATE BASES AND RATES (Continued)										
		**CLASS RATES (In cents per 100 pounds)									
Rate			2	Any Qua	antity	7					
Basis	100	92½	85	77½	70	65	60	55	50		
ABCDEF	83 100 112 126 134 146	79 95 107 120 128 138	75 89 101 112 121 131	71 85 96 107 114 124	67 80 89 100 107 116	64 77 86 97 103 112	61 74 83 94 99 108	58 70 78 87 94 102	56 68 76 85 92 99		
Rate Basis	Minimum Weight 2,000 Pounds										
54525	100	92⅓	85	77½	70	65	60	55	50	<b>0410</b>	
ABCDEF	69 80 88 99 110 122	66 76 84 94 105 115	62 72 79 88 98 109	58 68 75 84 94 103	55 63 70 79 87 97	53 61 68 76 85 94	51 59 66 73 81 90	48 56 61 69 77 85	47 54 60 68 75 83		
Rate Basis		Mi	nimum	Weigh	t 4,0	00 Po	unds				
Basis	100	92½	85	773	70	65	60	55	50		
A B C D E F	51 59 71 79 85 95	49 56 68 75 81 89	46 54 63 71 77 85	44 50 60 68 73 80	41 48 56 62 68 76	40 46 54 61 66 73	37 44 52 58 63 70	35 42 49 55 59 67	34 41 48 54 58 64		

<sup>\*\* 50.1</sup> scale of rates eliminated ) Decision No. 75511

## EFFECTIVE MAY 10, 1969

in de la companion de companion de la companio Issued by the Public Utilities Commission of the State of California, San Francisco, California. Correction No. 101

# MINIMUM RATE TARIFF NO. 9-B

SECTION NO. 2 - RATE BASES AND RATES (Continued)										Item No.
		(In ce		S RATE r 100		s)				
Rate			Minimu	m Weig	tht 10,	,000 r	Pounds			
Basis	100	92⅓	85	775	70	65	60	55	50	
A B C D E F	36 46 53 58 68 73	34 44 50 55 64 70	33 42 48 53 60 66	31 38 45 50 57 62	29 36 42 46 54 58	28 35 41 45 52	27 34 40 43 50 54	25 <sup>1</sup> ⁄ <sub>2</sub> 32 36 41 47 51	25 31 35 40 46 50	
Rate		Minimur Weight 20,000 Pounds								
Basis	100	92½	85	77%	70	65	60	55	50	
A B C Q E F	28 <sup>1</sup> / <sub>2</sub> 35 40 46 50 55	27 33 37 44 48 52	25½ 31 35 41 45 50	24 30 33 38 43 47	23 28 31 36 40 45	22 27 30 35 38 43	21 26 29 34 37 41	20 24½ 27½ 32 35 40	19 24 27 31 34 37	<b>0415</b>
Rate			Minim	um Weig	ght 30	,000	Pounds			
Basis	100	92½	85	773	70	65	60	55	50	
ABCOEF	25½ 28½ 32 35 40 43	24 27 30 33 37 41	23 25½ 29 32 35 38	22 24 27 30 33 36	20½ 23 26 28½ 32 34	20 22 25 27 30 33	18½ 21 24 26 29 31	17½ 20 23 25 28 30	17 19 22 24 27 29	

<sup>\*\* 50.1</sup> scale of rates ) Decision No. 75511 eliminated

## EFFECTIVE MAY 10, 1969

MINIMUM RATE TARIFF NO. 9-B

**ø**500

SECTION NO. 3--EQUIPMENT RATES, RULES ITCM
AND REGULATIONS NO.

#### RULES AND REGULATIONS

- (a) Rates named in this section are subject to Items Nos. 10 and 11, Definitions of Technical Terms; Item No. 20, Application of Tariff; Item No. 30, Application of Tariff—Territorial; Items Nos. 50 and 51, Application of Tariff—Commodities; Item No. 150, Charges for Escort Service; Item No. 160, Charges for Permit Shipments; Item No. 170, Collection of Charges; Items Nos. 180, 181 and 182, Collect on Delivery (C.O.D.) Shipments; Items Nos. 200 and 201, Issuance of Shipping Documents; Item No. 250, References to Items and Other Tariffs; and Item No. 260, Units of Measurement to Be Observed. They are not subject to the other rules and regulations provided in Section No. 1.
- (b) Rates named in this section are subject to Items 110 and 565 of the Governing Classification. They are not subject to the other rules of the Governing Classification.
- (c) Rates named in this section apply only when the property is transported by one carrier for one shipper.
- (d) Prior to the transportation of the property, the shipper must enter into a written agreement with the carrier to ship at rates no lower than those provided in this section, stating specifically the class of service desired. (See Item No. 510.) Except as herein provided, no single agreement shall cover shipments transported over a period in excess of 31 days. EXCEPTION: The agreement will not be necessary for transportation of overweight and/or oversize shipments for which a special permit has been issued pursuant to the provisions of Sections Nos. 35780 to 35784, inclusive, of the Vehicle Code, State of California, and attached to or identified on the shipping document.
- (e) Rates named in Item No. 520 are subject to an additional charge at the rate of \$\$6.95 per man, per hour, minimum charge one-half hour, when carrier furnishes help in addition to the driver. The time for computing the additional charge shall be not less than the actual time in minutes the helper or helpers are engaged in performing the services. The total time so computed shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the table provided in Note 1(c), Item No. 520.
- (f) When carrier's equipment is painted, lettered or marked, or when special equipment or accessories are furnished by the carrier, in connection with transportation which is performed subject to the rates named in Item No. 520, a charge not less than the cost of painting, lettering or marking or the costs applicable to the use of the special equipment or accessories shall be made.

# 75511

EFFECTIVE MAY 10, 1969

# SECTION NO. 3 - EQUIPMENT RATES, RULES AND REGULATIONS (Concluded)

Item No.

FREIGHT, regardless of classification, subject to Note 1:

Weight in Pounds	0(1)(2)Ro	tes in Cents	Per Hour
(See Note 2)	Column 1	Column 2	Column 3
Less than 12,000	850	1205	1560
12,000 but not over 20,000	905	1235	1570
Over 20,000	1005	1310	1615

- (1) Minimum Charge The charge for one hour.
- (2) Rates do not include bridge or ferry tolls. Such tolls, when incurred by the carrier, shall be added to the transportation charges.
- Column 1 Rates per unit of equipment with driver, except for time equipment is operated in excess of 8 hours out of 9 consecutive hours, and except when operated on Saturdays, Sundays or holidays.
- Column 2 Rates per unit of equipment with driver for time equipment is operated in excess of 8 hours out of 9 consecutive hours or on Saturdays, Sundays or the following holidays: Washington's Birthday, Memorial Day or the day before Christmas.

ø520

- Column 3 Rates per unit of equipment with driver for time equipment is operated on the following holidays: Independence Day, Labor Day, Thanksgiving Day, Christmas or New Year's Day.
- NOTE 1.-(a) Subject to paragraph (b) below, rates in this item apply from the time the truck and driver report for service pursuant to the shipper's order to the time of completion of the last trip under such order. Exception If the single transaction covers a period in excess of one day, time consumed in driving from last point of destination to the carrier's terminal at the close of one day's business, and from the carrier's terminal to the point of origin at the beginning of the next day's business will not be included in computing the chargeable time.
- (b) In computing time for trailer shuttle service no time shall be charged for the movement of truck tractors without load or for trailers or semitrailers without power unit except when such trailers are being loaded or unloaded.

(c) In computing time under the basis outlined in paragraphs (a) and (b) hereof the various time factors shall not be less than the actual time involved in minutes. After the total time has been determined under the provisions of paragraph (a) hereof, it shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the following table:

Less than 8 minutes ----- omit.

- 8 minutes or more but less than 23 minutes shall be & hour.
- 23 minutes or more but less than 38 minutes shall be 4 hour.
- 38 minutes or more but less than 53 minutes shall be  $\frac{2}{\pi}$  hour.
- 53 minutes or more shall be 1 hour-

NOTE 2.—The normal carrying capacity of each vehicle unit shall be determined by the carrier based upon that amount of property in pounds, which physically can be loaded therein and safely transported under normal conditions.

EFFECTIVE MAY 10, 1969