

ORIGINAL

Decision No. 75644

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,)	Case No. 5330
common carriers, highway carriers)	
and city carriers relating to)	
the transportation of used house-)	
hold goods and related property.)	

OPINION AND ORDER

On February 27, 1969, there was sent to interested parties for study and comment a report prepared by the Commission's Transportation Division Freight Economics Branch staff concerning the establishment of rules governing the handling of loss and damage claims by carriers in connection with the transportation of used household goods. The parties were informed that, in the absence of objection or request for public hearing, consideration might be given to the issuance of an ex parte order revising Minimum Rate Tariff No. 4-B in accordance with the staff recommendations.

According to the staff report, the effect of the proposed rules would be to inform the shipping public of the responsibility of carriers in handling loss or damage claims and would provide a uniform procedure to be followed by carriers in processing such claims. The report requires that every carrier shall: (1) record the date a written claim for loss or damage is received; (2) acknowledge receipt of the claim within 30 days after receipt thereof; (3) pay, decline or make a firm compromise settlement

offer in writing to the claimant within 120 days after receipt of the claim unless for reasons beyond the control of the carrier, the claim cannot be processed and disposed of within the 120-day period; (4) inform the claimant in writing of the status of the claim and the reasons for the delay in making final disposition thereof at the expiration of the 120-day period and each succeeding 30-day period while the claim remains pending when the claim is not processed and disposed of within the 120-day period; (5) send a copy of such letter to the Commission's Compliance and Enforcement Branch in San Francisco; and (6) maintain a freight claim register with detailed information on each claim, and a complete file in support thereof and an acknowledgment in such file from any other party when said party has retained the claim papers.

The report also requires that the carrier furnish shipper with a notice concerning the procedure which the shipper should follow in filing a loss or damage claim with the carrier and the responsibility of the carrier in the handling of such loss or damage claim.

Written comments have been received from State of California Department of General Services, International Business Machines Corporation, California Manufacturers Association and California Trucking Association supporting the staff report. No objection to the staff proposal has been received. Standard Oil Company of California suggests additional safeguards for the handling of loss and damage claims. Upon further analysis, the Commission's staff recommends that no additional changes be made at this time. The staff report will be adopted.

The staff's report and written replies thereto are respectively received in evidence as Ex Parte Exhibits Nos. 1 and 2 in Case No. 5330.

Upon consideration of the evidence in this proceeding, the Commission finds that the proposed amendment to Minimum Rate Tariff No. 4-B is reasonable. A public hearing is not necessary. The Commission concludes that Minimum Rate Tariff No. 4-B should be amended accordingly.

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 June 14, 1969, Fourth Revised Page 2, Third Revised Page 7-B and Original Page 35-A attached hereto and by this reference made a part hereof.

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

This order shall become effective twenty-four days after the date hereof.

Dated at San Francisco, California, this 2nd day of May, 1969.

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

William Synoux, Jr.
President

Augustine

John P. Monahan

[Signature]

Commissioners

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 Documents

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* Addition, Decision No. **75644**

EFFECTIVE

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

Correction No. 110

SECTION NO. 1 - RULES AND REGULATIONS (Continued)	Item No.
<p style="text-align: center;">ESTIMATE OF CHARGES (Concluded)</p> <p style="text-align: center;">(Applies only to charges involving rates provided in Items Nos. 300 and 320)</p> <p style="text-align: center;">(Items Nos. 32 and 33)</p> <p>(e) <u>Notification to Shipper Where Charges Exceed Estimate.</u> Whenever actual charges on any shipment exceed by more than 10 percent or \$25, whichever is greater, any estimate of charges given by the carrier to the shipper, immediately upon determining the actual charges, the carrier shall notify the shipper of the amount thereof by telegram or telephone at the carrier's expense. Such notice shall be made no later than 24 hours prior to the time the shipment is offered for delivery, except where the shipment is in transit less than 24 hours; <u>provided</u>, that this paragraph shall not apply (1) where credit is to be extended by the carrier, and (2) where the shipper has not supplied, upon request by the carrier, an address or telephone number at which the communication would be received.</p> <p>(f) <u>Report of Underestimates.</u> Every household goods carrier shall file a report with the California Public Utilities Commission stating those instances during the preceding month where the actual charges for services rendered exceeded the estimates of such charges by 10 percent or \$25, whichever is greater, with an explanation of reasons for such variances.</p> <p>(g) <u>Order for Services Shall Not Show Charges or Estimates.</u> There shall not be shown on any form in the nature of a "Shipping Order and Freight Bill for Uncrated Used Household Goods and Related Articles" or "Confirmation of Shipping Instructions and Rate Quotation" which may be used by carriers any charges or estimates of charges, nor any reference to any estimate of charges given to the shipper.</p>	<p style="text-align: right; vertical-align: middle;">33</p>
<p style="text-align: center;">CLAIMS FOR LOSS OR DAMAGE</p> <p>Every carrier of used property, as provided in this tariff, which receives a written claim for loss of or damage to property transported by it shall acknowledge receipt of such claim in writing to the claimant within 30 calendar days after its receipt by the carrier or the carrier's agent. The carrier shall at the time such claim is received, cause the date of receipt to be recorded on the claim.</p>	<p style="text-align: right; vertical-align: middle;">*34</p>

Every such carrier which receives a written claim for loss of or damage to property transported by it shall pay, decline or make a firm compromise settlement offer in writing to the claimant within 120 days after receipt of claim by the carrier or its agent; provided, that, if for reasons beyond the control of the carrier the claim cannot be processed and disposed of within 120 days after receipt thereof, the carrier at that time and at the expiration of each succeeding 30-day period while the claim remains pending, advise the claimant in writing of the status of the claim and the reasons for the delay in making final disposition thereof, and send a copy of such letter to the California Public Utilities Commission, Compliance and Enforcement Branch, State Building, San Francisco, California 94102.

Every carrier of used property, as provided in this tariff, shall maintain a freight claim register, showing for each cargo loss and damage claim received, the claim number, date and amount; the waybill or expense bill number and date; name of claimant; kind of commodity; date claim was paid; total amount paid; or date claim was disallowed and reasons; amount of salvage recovered, if any; amounts reimbursed by insurance companies, connecting carriers or others, and the amount absorbed by the carriers. Each claim received shall be entered in the register and should be supported by the complete file of claim papers. However, if the claim papers are retained by insurance companies, connecting carriers, or others, the carrier's records shall contain an acknowledgement from the party retaining the claim file that the papers are in its possession.

* Addition, Decision No. 75644

EFFECTIVE

Issued by the Public Utilities Commission of the State of California,
San Francisco, California.
Correction No. 111

SECTION NO. 4 - FORMS OF DOCUMENTS (Continued)	Item No.
<p style="text-align: center;">IMPORTANT NOTICE TO SHIPPERS OF HOUSEHOLD GOODS</p> <p>The Public Utilities Commission requires that this notice shall be delivered to all shippers of household goods in intrastate commerce.</p> <p>This statement is of importance to you as a shipper of household goods and is being furnished by the carrier pursuant to a requirement of the Public Utilities Commission. It relates to the transportation of household goods, in intrastate commerce by motor carriers frequently called "Movers" but here called carriers. Some carriers perform the transportation themselves. Others act as agents for the carriers which do the actual hauling. In some instances, the transportation is arranged by brokers. You should be sure to obtain the complete and correct name, home address, and telephone number of the carrier which is to transport your shipment, and keep that carrier informed as to how and where you may be reached at all times until the shipment is delivered.</p> <p>Before completing arrangements for the shipment of your household goods, all of the information herein should be considered carefully by you.</p> <p>LOSS OR DAMAGE - In the event of loss or damage to the shipment, be sure you describe such loss and damage by making notations on the carrier's shipping order or freight bill document. If the driver should refuse to permit you to make such notations, you should report the circumstances and the condition of the articles in writing to the home office of the carrier. The notations made at the time of delivery do not constitute filing a claim in writing. The notation is made to support a claim to be filed later. If loss or damage did occur, you should address a letter to the home office of the carrier and describe the loss and damage. List the articles separately and if you declared a released value of 60 cents per pound per article, show the weight of each damaged article. Obtain and present to the carrier itemized estimates of costs of necessary repairs or replacement. Give the date of your move, the origin and destination of the shipment and the carrier's order number.</p> <p>All claims for loss and damage must be filed with the carrier in writing. The carrier is required to acknowledge claims within 30 days and to either pay, decline or make a firm compromise settlement within 120 days of receipt. If some reason beyond the carrier's control delays action on your claim for a longer time, the carrier is required to notify you then as to its status and each 30 days thereafter until final action is taken.</p> <p>The California Public Utilities Commission has no authority to compel carriers to settle claims for loss or damage and will not undertake to determine whether the basis for, or the amount of, such claims is proper, nor will it attempt to determine the carrier liable for such loss or damage. If the carrier will not voluntarily pay such claims, the shipper may contact the California Public Utilities Commission for the name of the insurance company providing the required cargo insurance. The insurance company may be willing to settle a claim even if the carrier is not. The shipper may also commence a suit in a court of law.</p>	*435

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