

Decision No. 75720

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
National Motor Freight Traffic)
Association, Inc., Agent, for and)
on behalf of certain highway com-)
mon carriers and express corpora-)
tions, for authority to make)
various revisions in National Motor)
Freight Classification A-10.)

Application No. 51051
(Filed May 2, 1969)

In the Matter of the Investigation)
into the rates, rules, regulations,)
charges, allowances and practices)
of all common carriers, highway)
carriers and city carriers relat-)
ing to the transportation of any)
and all commodities between and)
within all points and places in)
the State of California (including,)
but not limited to, transportation)
for which rates are provided in)
Minimum Rate Tariff No. 2).)

Case No. 5432
(Petition for Modification
No. 541)
(Filed May 2, 1969)

And Related Matters)

Cases Nos. 5435, 5439, 5441.
5603 and 7858
(Petitions for Modification
Nos. 122, 91, 163, 69 and
52, respectively)
(Filed May 2, 1969)

OPINION AND ORDER

Various common carriers engaged in intrastate transporta-
tion within California participate in National Motor Freight Clas-
sification A-10, hereinafter referred to as the Governing Classifi-
cation, for class ratings and other provisions. Also, certain
Commission minimum rate tariffs are subject to the class ratings
and/or other provisions of such classification.

By Application No. 51051, National Motor Freight Traffic Association, Inc., Agent, seeks authority, on behalf of such common carriers, to publish specific revisions in the Governing Classification to become effective July 1, 1969, concurrently with the national effective date for such revisions.¹ By the above petitions, California Trucking Association seeks to have the ratings and other provisions in the Governing Classification similarly revised to govern the minimum rates and rules in certain Commission minimum rate tariffs.² Petitioner requests that all common carriers be directed to establish in their respective tariffs such modifications as may be prescribed by the Commission's order in these proceedings, including relief from the long- and short-haul provisions of Section 460 of the Public Utilities Code.

Applicant and petitioner, hereinafter referred to as applicants, state that the Governing Classification is periodically revised to meet the changing needs of commerce. Applicants aver that the procedures available to shippers and carriers to initiate such revisions, to participate in their disposition and to protect their interests are generally known to the carriers and shippers. Applicants allege that the sought revisions have been authorized by the National Classification Board, after due process, and are generally

¹ The changes, which are provided in Supplement 22 to the Governing Classification, are set forth in Exhibit A and the related justifications are set forth in Exhibit B, both of which are attached to the application.

² The tariffs are Minimum Rate Tariffs Nos. 1-B (East Bay Drayage), 2 (General Commodities Statewide), 5 (Los Angeles Drayage), 9-B (San Diego Drayage), 11-A (Uncrated New Furniture Statewide) and 19 (San Francisco Drayage) and Exception Ratings Tariff No. 1.

scheduled to become effective July 1, 1969, for tariffs covering areas other than California and that such revisions, if authorized, would permit maintenance of uniformity of classification provisions between California and the rest of the nation.

A review of applicants' proposed revisions indicates that they pertain principally to (1) format of classification; (2) correction of publishing errors and omissions; (3) clarification of existing descriptions of articles; (4) cancellation of obsolete provisions; and (5) establishment of specific ratings for newly designed or manufactured articles. Such changes are within the framework of the criteria heretofore announced by this Commission for establishing revisions in the Governing Classification on California intrastate traffic.³

Applicants suggest, to protect the interests of all parties, that the effective date of any order issued herein should be thirty days after the date of this decision. This would provide ample opportunity for any interested party to advise applicants and the Commission concerning those items which might require separate and further consideration without unduly delaying the effectiveness of the great body of classification changes which, applicants assert, are necessary and desirable, and concerning which there is no question or dispute.

Copies of the application and petitions were mailed to various chambers of commerce, shipper organizations, carrier representatives and other interested parties on or about May 2, 1969. The application and petitions were listed on the Commission's Daily Calendar of May 5, 1969.

³ See Decision No. 68324 in Case No. 5432, et al., 63 Cal.P.U.C. 728, and Decision No. 68711 in Case No. 5432, et al., 64 Cal.P.U.C. 146.

By letter from its Manager of Transportation & Distribution Research dated May 7, 1969, Fibreboard Corporation (Fibreboard) has informed the Commission that it objects to the requirement that fibreboard boxes show their dimensions and cubage⁴ as proposed by applicants in Application No. 51051 and Case No. 5432 (Petition for Modification No. 541), et al. Fibreboard contends that the proposed dimension and cubage requirement would place an unreasonable and unjustifiable burden on manufacturers and users of fibreboard boxes and that the proponent carriers have not shown a need for, nor justified, such requirement. Fibreboard requests that consideration of the dimension and cubage requirement be withheld until Item (Rule) 425 of the Governing Classification is authorized by this Commission.⁵

⁴ Item (Rule) 222-D of the Governing Classification provides that fibreboard boxes manufactured on or after October 1, 1969, having fixed dimensions when set up or assembled, must show in inches the outside dimensions of the box, including all projecting portions, and the cubage in feet produced from such dimensions.

⁵ Item (Rule 425) of the Governing Classification provides that, except where class ratings are specifically named in said classification for commodities with stated densities, ratings of Class 300, 250 and 150 apply to commodities that respectively have densities per cubic foot of less than 2 pounds, 2 pounds but less than 4 pounds and 4 pounds but less than 6 pounds. By Decision No. 75113 dated December 13, 1968, in Application No. 50695 and Case No. 5432 (Petition for Modification No. 520) et al., the Commission denied authority to applicants to publish these provisions in the Governing Classification.

By letter dated May 7, 1969, from its Director, Transportation and Distribution Department, California Manufacturers Association (CMA) informed the Commission that a number of its members object to the proposed dimension and cubage requirement. CMA states that ex parte handling of this subject is not justified and requests that the matter be set for hearing so that all interested parties will have an opportunity to be heard.

In the circumstances, it appears, and the Commission finds, that:

1. The changes sought by applicants in connection with the proposed dimension and cubage requirement set forth in Item (Rule) 222-D of Supplement 22 to the Governing Classification and protested by Fibreboard and CMA have not been justified and should be denied.

2. Except as provided in Finding No. 1, the proposed classification revisions set forth in Application No. 51051 are reasonable and, to the extent that said ratings and rules will result in increases, such increases are justified.

3. The proposed ratings and rules which applicant will be authorized to establish, except to the extent that said ratings and rules are different from and are superseded by present exceptions contained in the respective minimum rate tariffs and the governing exception ratings tariff, are suitable to govern the minimum rates established by the Commission.

4. Except as provided in Finding No. 1, the rates and charges resulting from the application of the aforesaid ratings and rules are, and for the future will be, the just, reasonable and nondiscriminatory minimum rates for the transportation of property by highway carriers subject to the applicable minimum rate tariffs.

Based on the above findings, the Commission concludes that the proposed classification changes set forth in Application No. 51051 should be authorized, and that such ratings and rules should be adopted and approved, to the extent indicated in the ensuing order, to govern the minimum rates established by the Commission. The Commission further concludes that the involved participating common carriers in applicant's National Motor Freight Classification A-10 should be 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. The order which follows should be made effective thirty days after the date hereof and the earliest effective date of Supplement 22 to the Governing Classification should be July 1, 1969. Minimum Rate Tariff No. 2 will be amended to reflect a change in an item number reference therein to a commodity description in the Governing Classification.

IT IS ORDERED that:

1. Except as otherwise provided in Ordering Paragraph 10 hereof, National Motor Freight Traffic Association, Inc., Agent, on behalf of the involved common carriers participating in National Motor Freight Classification A-10, is authorized to establish and publish the classification ratings and rules set forth in

Application No. 51051 to become effective not earlier than July 1, 1969, on not less than five days' notice to the Commission and to the public.

2. Except as otherwise provided in Ordering Paragraphs 7 and 10 hereof, the classification ratings and rules authorized herein are approved and adopted as the just, reasonable and non-discriminatory ratings and rules to govern the minimum rates and rules promulgated by the Commission in Minimum Rate Tariffs Nos. 1-B, 2, 5, 9-B, 11-A and 19.

3. Minimum Rate Tariff No. 2 (Appendix D to Decision No. 31606, as amended) is hereby further amended by incorporating therein, to become effective July 1, 1969, Eighteenth Revised Page 37-D attached hereto and by this reference made a part hereof.

4. Tariff publications required to be made by common carriers as a result of Ordering Paragraphs 2 and 3 hereof may be made effective not earlier than July 1, 1969, on not less than five days' notice to the Commission and to the public and such tariff publications shall be made effective not later than August 30, 1969; and tariff publications which are authorized but not required to be made by common carriers as a result of Ordering Paragraph 2 hereof may be made effective not earlier than July 1, 1969, and may be made effective on not less than five days' notice to the Commission and to the public if filed not later than August 30, 1969.

5. The classification ratings and rules authorized to be established by Ordering Paragraph 2 hereof are authorized to be made applicable also for the transportation of:

- (a) Commodities for which minimum rates have not been established, or

- (b) Commodities which are subject to higher rates than, or more restrictive provisions than, the minimum rates or provisions otherwise applicable, or
- (c) Commodities for which rates have been established based upon Minimum Rate Tariffs Nos. 1-B, 2, 5, 9-B, 11-A and 19.

6. Any provisions currently maintained in common carrier tariffs which are more restrictive than, or which produce charges greater than, those contained in Minimum Rate Tariffs Nos. 1-B, 2, 5, 9-B, 11-A and 19 and Exception Ratings Tariff No. 1 are authorized to be maintained in connection with the ratings and rules authorized and directed to be established herein.

7. Except as provided in Ordering Paragraph 6 hereof, common carriers are not authorized to publish ratings and rules which are different from, and are superseded by, present exceptions contained in Exception Ratings Tariff No. 1 and Minimum Rate Tariffs Nos. 1-B, 2, 5, 9-B, 11-A and 19.

8. Common carriers, in establishing and maintaining the ratings and rules 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 ratings and rules published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

9. In all other respects, Decision No. 31606, as amended, shall remain in full force and effect.

10. The provisions proposed to be published by applicants in Item (Rule) 222-D of Supplement 22 to National Motor Freight Classification A-10 are hereby denied.

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

Dated at Los Angeles, California, this 27th day of May, 1969.

William J. Lyons, Jr.
President

[Signature]

[Signature]
Commissioners

Commissioner A. W. Gotov, being necessarily absent, did not participate in the disposition of this proceeding.

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

SECTION 1--RULES OF GENERAL APPLICATION (Continued)		ITEM
EXCEPTIONS TO GOVERNING CLASSIFICATION AND EXCEPTION RATINGS TARIFF (Continued)		(1) Class Rating
<p>*(Numbers within parentheses immediately following commodities shown below refer to such commodities as they are described in the corresponding item numbers of the Governing Classification.)</p> <p>OIL, WATER OR GAS WELL OUTFITS AND SUPPLIES, AND OTHER ARTICLES, viz.: (All item references are to the Governing Classification)</p> <p>Barrels, Pump Working (Well Pump Cylinders) (127520) Bits, Drilling (125140, 183840, 183850 or 186900) Boiler Flues or Tubes (25600) Fittings, Pipe, iron or steel, cast or wrought, plate or sheet (51460, 51470 or 51500), inside diameter 4 inches or greater (see Note) Bars, Grate (104320) Joints, Sucker Rod, iron or steel (96080) Mud or Compounds, or Mud Treating Compounds (138640) Oil, Water or Gas Well Outfits or Supplies, as described under the heading "Oil, Water, Gas Well Group" of the Governing Classification Pipe or Tubing, iron or steel, inside diameter 4 inches or greater, viz.: Cast or Wrought (see Note); or Plate or Sheet, 16 gauge or thicker (51200, 51940, 51960, 51970, 52072, 52090 or 52200) Well Casing or Well Drilling (52090) Rods, Sucker (107100) Valves, Pump Working Barrel (127560)</p> <p>Truckload: Minimum Weight 20,000 pounds ----- Truckload: Minimum Weight 30,000 pounds -----</p> <p>The following articles when shipped in mixed shipments with one or more of the articles named above will be subject to ratings provided in this item:</p> <p>Air Compressors (118100) Anvils (183620) Belts (23320, 23340 or 120280) Boiler Parts (25520, 25720 or 25760) Boilers (25740, 25760, 25780, 25800 or 25820), including Fire Clay for setting Brick, Fire (32100) Engines (62080, 62100, 62120, 120800 or 120860) Fittings, Pipe, iron or steel, cast or wrought, plate or sheet (51460, 51470, 51480, 51500, 51510 or 51520), inside diameter less than 4 inches (see Note) Generators, Electric (62080, 62100 or 62120) Pipe or Tubing, iron or steel, inside diameter less than 4 inches, viz.: Cast or Wrought (see Note), or Plate or Sheet, 16 gauge or thicker (51200, 51210, 51220, 51230, 51240, 51250, 51260, 51320, 51940, 51960, 51970, 52072, 52090, 52200, 52220 or 52240) Plate or Sheet, iron or steel (106020, 106060, *106065, 106080, 106100, 106120, 106140, 106160, 106180, 106200, 106220, 106260, 106280, **106720 or 106740) Pumps, Power (128000) Rods, Pull (107100 or 199690) Rope (14680, 30940, 33390, 63780, 98470, 107520 or 171240) Smokestacks (52340) Tanks, steel (25800, 121150, 123540, 180820, 180840, 181070, 181110, 181170, 181260, 181300, 181310, 181330, 181350, 181370, 181390, 181410, 181440, 181480, 181520, 181540, 181560, 181620, 181660, 181740 or 181760) Tools, mechanics' (186900) (one box), secondhand (used), not exceeding 1,000 pounds in weight Trucks or Running Gears, Steam Boiler (189740), knocked down Towers, Water Cooling, atmospheric (187030) Valves, iron or brass (50855 or 50870)</p> <p>NOTE.--Will not apply on cast iron pipe or fittings as described in Item 378.</p> <p>(1) Truckload ratings set forth in this item do not alternate with less-truckload ratings.</p>		<p>77 1/2 00</p> <p>Δ365</p>
<p>* Addition) Δ Change, neither increase) nor reduction) ** Item 106710 eliminated)</p> <p>Decision No. 75720</p>		
EFFECTIVE		
<p>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA</p> <p>Correction 2131</p>		