

Decision No. 26030

ORIGINAL

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 common carriers, highway)
carriers and city carriers relating)
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

And Related Matters

) Cases Nos. 5330, 5433, 5435,
) 5436, 5437, 5438, 5439, 5440,
) 5441, 5603, 5604, 6008, 7857,
) 7858, 7783 and 8808.

Pacific Southcoast Freight Bureau)
to quote reduced rates under)
Section 530 of the Public Utilities)
Code.

Application No. 51312

System 99 to quote reduced rates)
under Section 530 of the Public)
Utilities Code.

Application No. 51313

ORDER SETTING HEARING

Among other things, Section 530 of the Public Utilities Code of the State of California provides:

"The commission may permit common carriers to transport property at reduced rates for the United States, state, county, or municipal governments, to such extent and subject to such conditions as it may consider just and reasonable. Nothing herein shall prevent any common carrier subject to the provisions of this part from transporting property for the United States, state, county, or municipal governments, at reduced rates no lower than rates which lawfully may be assessed and charged by any other such common carrier or by highway permit carriers as defined in the Highway Carriers' Act."

By Decision No. 51831 dated August 16, 1955, the Commission provided:

"As a matter of administrative control, the common carriers will be required hereinafter to file with the Commission statements of reduced rates quoted to governmental agencies for the transportation of property under the foregoing exception of Section 530 of the Public Utilities Code. Reduced rates beyond the scope of the exception may be permitted only upon application to the Commission and a finding by the Commission that they will be just and reasonable."

On July 29, 1969, Pacific Southcoast Freight Bureau submitted, on behalf of Southern Pacific Company, a rate quotation under Section 530 of the Public Utilities Code involving the transportation of textbooks from Sacramento to Los Angeles for the State of California.¹

California Trucking Association by letter dated July 30, 1969, requests that any submission of rates reduced below competitive publications be rejected. Its position is that, under Section 530 of the Code, carriers may make simple filings of reduced rate tenders only when they are for the purpose of meeting rates which may be lawfully assessed by other carriers. In support of its position it relies on Decision No. 51831 dated August 16, 1955 in Case No. 5432 (54 Cal.P.U.C. 332).

The Southern Pacific Company quoted rate is a rail trailer-on-flat-car rate and is not subject to the minimum rate order. This raises the question as to whether the subject rate constitutes a reduced rate beyond the scope of the Section 530 exceptions quoted above or whether it falls within the conclusion reached in Decision No. 51831, supra, that, under the second sentence

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Two highway carriers have also issued quotation statements to the Department of General Services to meet Southern Pacific's quotation. Only one, System 99's, has been submitted for filing.

of the quoted section, when no minimum rates have been established by the Commission for the transportation of property for governmental agencies by highway permit carriers, common carriers subject to Part I of the Code may assess rates with the same freedom as permitted carriers.

In the circumstances, the quotation statement here in issue and that filed by System 99 will be docketed as formal applications and will be consolidated for hearing with this Order Setting Hearing.

IT IS ORDERED that hearings in these proceedings be held concurrently with hearings concerning the applications of Pacific Southcoast Freight Bureau, Section 530 Quotation 833, filed July 29, 1969, and System 99, filed July 31, 1969, before such Commissioner or Examiner as may be designated at a time and place to be determined for the purpose of receiving evidence relating to the subject applications and to the regulations and procedures under Section 530 of the Public Utilities Code.

Dated at San Francisco, California, this 12th day of August, 1969.

William L. Quinn, Jr.
President

Robert P. Monahan

James P. Vukasin, Jr.
Commissioners

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