

ORIGINAL

Decision No. 76781

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the investigation)
of the rates, rules, regulations,)
charges, allowances and practices)
of all common carriers, and highway)
carriers relating to the transpor-)
tation of trailer coaches and related)
items as provided in Minimum Rate)
Tariff 18.)

Case No. 8808
Petition for Modification
No. 4
(Filed September 19, 1969)

Milton W. Flack and Don B. Shields, for Highway
Carriers Association, petitioner.
Keith E. Miller, for Miller Traffic Service, Inc.;
Russell & Schureman, by Robert E. Hancock, for
National Trailer Convoy, Inc., Morgan Drive
Away, Inc., and Transit Homes, Inc.; R. L.
Haskell, for Haskell Mobile Homes; Arlo D. Poe,
J. C. Kaspar and H. F. Kollmyer, for California
Trucking Association; interested parties.
Norman Haley, for the Commission staff.

O P I N I O N

This petition was heard December 8, 1969, before Examiner
Thompson at Los Angeles and was submitted December 12, 1969, on the
receipt of late filed exhibits.^{1/} Copies of the petition and notice
of hearing were served in accordance with the Commission rules. There
are no protests.

Highway Carriers Association is a non-profit corporation
whose membership consists of for-hire carriers of property, including
transporters of trailer coaches and campers. It here seeks the
establishment in Minimum Rate Tariff 18 of special seasonal haulaway
rates for the transportation of trailer coaches and campers at levels
which will enable carriers to meet proprietary competition. In

^{1/} Hearing was called and adjourned without receipt of evidence on
November 5, 1969.

essence the proposed rates would permit a carrier to consolidate shipments tendered by two or more shippers into one truckload shipment and to pro-rate the charges for the consolidated shipment among the several shippers. The proposed rates are entitled by petitioner "Carrier Consolidated Service". It is suggested that the rates apply only on movements between October 1 and April 1.

A number of carriers testified in support of the proposal. Vacation trailers and campers ordinarily are sold by dealers during the spring and summer months and during such period there is a demand for truckload transportation of vacation trailers and campers. During the fall and winter months the individual dealers make comparatively few sales and require only the transportation of a single unit at one time. Usually that movement involves the acquisition by the dealer of a new model for a demonstrator or replacement of a model that had been completely sold out. All of the dealers have pick-up trucks and where the transportation involves only one unit it is much less expensive for the dealer to pick up the unit from the manufacturer himself than to have a carrier transport it at the minimum rates applicable to one unit. As a result, the carriers engaged in the transportation of vacation-type trailers and campers have obtained very little business during the fall and winter months. This type of transportation requires the use of specially designed equipment somewhat similar to the semi-trailers used by automobile transporters in haulaway service. It is equipment that cannot be utilized for other types of transportation. The only way that the carriers can obtain use of that equipment is to encourage shippers of vacation-type trailers and campers to engage their services. That is the purpose of this rate proposal.

The revenues per truckload which would be received by the carriers under the proposed rates would be equal to or greater than those applicable to split shipments at the minimum rates provided in Minimum Rate Tariff 18 for transportation between the same origin and destination points.

Carriers from northern, central and southern California testified in support of the proposal. No one opposed the establishment of the proposed rates. California Trucking Association stated that it is generally opposed to the concept in ratemaking of permitting carriers to consolidate the shipments of different shippers but because of the singular circumstances of transportation and the narrow field of relations among carriers and shippers involved with the movement of vacation-type trailers and campers, the discrimination resulting from carrier consolidation of shipments one would expect in the transportation of general commodities would not be likely to occur here. Because of the unusual conditions of transportation it does not oppose the establishment of the proposed rates in Minimum Rate Tariff 18.

The Commission staff does not oppose the establishment of the proposed rates. It suggests a change in the wording in the rules governing the application of the rates so that the language conforms to the words and phrases defined in the minimum rate tariff. Petitioner accepts the changes suggested by the staff.

There is an element of uncertainty regarding the reasonableness of any rate that is predicated upon an event or an action that is completely within the discretion and control of the carrier rather than dependent upon the actions of the shipper made at the time of tender of shipment. It has been shown, however, that the

traffic the carriers hope to obtain cannot be secured to for-hire carriage unless the cost savings resulting from the consolidation of shipments by the carrier are passed on to the shippers. The necessity for such type rate outweighs the disadvantages and, as stated by California Trucking Association, because of the circumstances and transportation conditions peculiar to the movement of campers and vacation-type trailers, there is little likelihood of unjust discriminatory practices resulting from the establishment of the proposed rates.

We find that the proposed rates and rules modified as suggested by the staff are, and for the future will be, the just, reasonable and nondiscriminatory minimum rates for the transportation services to which they apply.

We conclude that Minimum Rate Tariff 18 should be amended as provided in the order that follows.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 18 (Appendix B of Decision No. 72418, as amended) is further amended by incorporating therein, to become effective March 21, 1970, First Revised Page 2 and Original Page 22-A attached hereto and by this reference made a part hereof.

2. Tariff publications 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, and may be made effective on not less than ten days' notice to the Commission and to the public if filed not later than sixty days after the effective date of the minimum rate tariff pages incorporated in this order.

3. 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 long- and short-haul departures and to this order.

4. In all other respects Decision No. 72418, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 10th day of FEBRUARY, 1970.

William J. ...
President

Augusta ...

...

Vernon L. ...
Commissioners

I dissent
J. ...

ARRANGEMENT OF TARIFF

This is a loose-leaf tariff arranged as follows:

- SECTION 1--Rules
- SECTION 2--Rates
- SECTION 3--Forms of Documents

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* Addition, Decision No.

76781

EFFECTIVE

Correction 6

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,
 SAN FRANCISCO, CALIFORNIA.

SECTION 1--RULES (Continued)	ITEM						
<p style="text-align: center;">CARRIER CONSOLIDATED SERVICE (Subject to Notes 1, 2 and 3)</p> <p>Carriers of trailer coaches and/or campers tendered by manufacturers may provide Carrier Consolidated Service for distance exceeding or rates based upon, 200 constructive miles, subject to the following conditions:</p> <ol style="list-style-type: none"> 1. Consignors/Consignees/Debtors desiring Carrier Consolidated Service will make written request therefor to the carrier prior to the tender for transportation of each trailer or camper by a manufacturer. 2. Upon receipt of written request for service under this item, carrier shall accumulate such similar requests until the aggregate of no less than three trailer coaches or four campers or any combination of not less than four campers and coaches received for loading and transporting by one unit of the carrier's equipment at one time under conditions set forth in paragraph 3. 3. Carrier will consolidate for shipment as one load, trailer coaches and/or campers from not more than two points of origin which do not exceed thirty constructive miles apart, and consigned to points of destination where the shortest distance between two points of destination via all other points of destination does not exceed one hundred constructive miles. 4. All trailer coaches and/or campers listed in the Carrier Consolidated Service Shipment must be ready for pickup. 5. The entire shipment shall be picked up by the carrier within a period of 2 days computed, from 12:01 A.M. of the date on which the initial pickup commences, excluding Saturday, Sunday and legal holidays. 6. Each freight bill must state "Carrier Consolidated Service Shipment" and refer by freight bill number to the other freight bills on the Consolidated Service Shipment. 7. Each debtor included in the Carrier Consolidated Service Shipment shall be rated and billed separately. 8. The provisions of this item will only apply on movements between October 1 and April 1. 9. Rates and charges applicable under the provisions of this item are as follows: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Rates In Cents Per Constructive Mile Per Camper Or Trailer Coach</th> <th style="text-align: center;">Minimum Charge Per Camper Or Trailer Coach</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Trailer Coach 24</td> <td style="text-align: center;">\$48.00</td> </tr> <tr> <td style="text-align: center;">Camper 18</td> <td style="text-align: center;">40.00</td> </tr> </tbody> </table> <p>NOTE 1.--Except as provided in paragraph 6 hereof, in connection with minimum charges, this item is not subject to the provisions of Items 280 and 281 of this tariff.</p> <p>NOTE 2.--Applicable only to trailer coaches of overall width not exceeding eight feet, four inches and/or overall length of twenty-seven feet.</p> <p>NOTE 3.--The constructive mileage rates shall be computed for each camper or trailer coach included in the Carrier Consolidated Service Shipment from each point of origin to each point of destination.</p>	Rates In Cents Per Constructive Mile Per Camper Or Trailer Coach	Minimum Charge Per Camper Or Trailer Coach	Trailer Coach 24	\$48.00	Camper 18	40.00	<p style="text-align: center;">*285</p>
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<p>* Addition, Decision No. 76781</p>							
<p>EFFECTIVE</p>							
<p style="text-align: center;">ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p> <p>Correction 7</p>							