

ORIGINAL

Decision No. 77445

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 highway carriers relating to)
 the transportation of property)
 within San Diego County (transport-)
 ation for which rates are provided)
 in Minimum Rate Tariff No. 9-B).)

Case No. 5439
 Petition for Modification
 No. 116
 Filed April 3, 1970; Amended
 April 22, 1970 and
 May 29, 1970

Richard W. Smith, H. F. Kollmyer and A. D. Poe,
 for California Trucking Association, peti-
 tioner.

Olin W. Lucas, for Aztec Transportation, Inc.;
 and Rodney R. Starkey, for Pacific Messenger
 Service, respondents.

John T. Reed, for California Manufacturers
 Association; and Arthur Sargent, for Western
 Motor Tariff Bureau, interested parties.

Fred P. Hughes and Ralph J. Staunton, for the
 Commission staff.

O P I N I O N

Decision No. 77064, dated April 14, 1970, in this (and four other) minimum rate proceedings, authorized interim surcharge increases in Minimum Rate Tariff No. 9-B of 6 percent on the charges for any and all shipments computed on a minimum weight of 20,000 pounds and over, and 8 percent on all other rates and charges (except C.O.D. charges and charges resulting from the use of railhead to railhead rates applied under the alternative application of common carrier rates) effective April 24, 1970.¹ Said decision found that for-hire carriers had incurred substantial increased labor costs as of April 1, 1970, and concluded that, until further

¹ The other tariffs are Minimum Rate Tariffs Nos. 1-B, 2, 5, 8 and 19; Cases Nos. 5432, 5435, 5438 and 5441, Petitions Nos. 581, 148, 77, and 192, respectively.

order of the Commission, charges should be increased on an interim basis. The amendment to the petition herein states that petitioner has completed the preparation of detailed studies and has determined the specific rates and charges necessary to reflect cost circumstances which will become applicable on July 1, 1970.² Petitioner proposes that the interim surcharges be canceled and that the specific rates and charges set forth in the appendix to the amendment to the petition be established in place thereof, to become effective July 1, 1970.

Public hearing with respect to the request contained in the amended petition was held before Examiner Mallory on May 21, 1970, at San Diego. The proceeding was submitted subject to the receipt of a late-filed exhibit which has been received.³ Evidence was presented by representatives of the petitioner and the Commission staff.

Petitioner, through the assistant director of its Division of Transportation Economics, presented in evidence Exhibits 116-1 and 116-2. Exhibit 116-1 is designed to measure the impact of the increases in transportation costs for movements under Minimum Rate Tariff No. 9-B (MRT 9-B) occurring since rates therein were last adjusted on a permanent basis pursuant to Decision No. 76354, dated October 28, 1969, in Case No. 5439, Petition No. 83. This was accomplished by revising the cost data set forth in the cost exhibit presented in Petition No. 83 (Exhibit 83-1) to give effect to labor

² In addition to the increased wage costs effective April 1, 1970, wages were further increased by 15 cents per hour effective July 1, 1970.

³ Said exhibit, prepared by the staff, contains calculations designed to show the effect of using the "wage offset" method of determining increased costs in offset proceedings (Decision No. 76353, supra).

and related items as of July 1, 1970.⁴ The direct costs in Exhibit 83-1 were revised to reflect, for drivers, helpers and freight handlers, changes effective July 1, 1970, in base hour wage rates, holiday pay, pension fund payments, workmen's compensation insurance and federal unemployment insurance taxes. The revised direct costs so developed were then increased by 24 percent for indirect expenses and the resulting total was then expanded by 3.48 percent for expenses based on gross revenues to arrive at total costs based on an operating ratio of 100 percent.⁵

The witness testified that his method of developing indirect expenses is different than that adopted as appropriate for MRT 9-B rates in Decision No. 76353, dated October 28, 1969, in Case No. 5439, Petition No. 87 (and other related minimum rate proceedings).⁶ The witness testified that the decision indicated that a change in method would be permitted if the proponent thereof sustained the burden of proving that the substitute method it proposed

⁴ Exhibit 83-1 reflects carrier wage costs and related items as of April 1, 1969.

⁵ The indirect expense ratio of 24 percent was that used in petitioner's basic study introduced in evidence in 1955. Gross revenue expense reflects: Insurance 2.93%; Transportation Rate Fund Tax 0.30%; and Board of Equalization Tax 0.25%. The Commission has announced that the Transportation Rate Fund tax will be reduced to 0.25% after July 1, 1970.

⁶ That decision described three separate methods, designated as: (1) Wage (Cost) Offset Method; (2) Wage Offset Method; and (3) Direct Wage Offset Method. The difference between the three methods is in the amount of indirect expenses allowed. In the first method, the indirect expenses based on the ratio established in the original full-scale study are allowed. In the second, the portion of indirect expense reflecting labor is increased by the percent increase in direct labor expenses. In the third, indirect expenses are held constant and no allowance is made for changes.

would be reasonable.⁷ To satisfy this requirement, the witness attempted to determine the carriers which earn a substantial portion of their revenues under rates in MRT 9-B, for the purpose of analyzing their current ratios of indirect to direct expenses. The witness testified that his investigation disclosed that only one carrier was earning a substantial portion of its revenues under MRT 9-B.⁸ That carrier's indirect ratio for the year 1968 was 26 percent. The indirect ratio included in CTA's basic cost study was 24 percent. The witness concluded that inasmuch as the indirect ratio in 1968 exceeded the indirect ratio used in CTA's basic cost study, it would be appropriate to use the full amount of indirect expenses (in the ratio of 24 percent of direct expenses) in its current studies. The witness asserted that the foregoing was sufficient to sustain the burden of proof that the "wage (cost) offset" method is appropriate, rather than the "wage offset" method found reasonable by the Commission in Decision No. 76353 (supra).

The CTA witness compared the total costs in Exhibits 83-1 and 116-1 to determine the percentage increases in individual costs occurring since the MRT 9-B rates were last adjusted on a permanent

⁷ The witness assertedly relied upon the following language in Decision No. 76353: "The ultimate burden of proof as to the proper cost offset method to use in any given situation should rest, in the first instance, with the party presenting the cost offset rate proposal. The Commission should not rigidly harness itself to any single cost procedure for adjusting its minimum rates and thereby preclude the presentation of evidence in justification of other desired cost offset proposals."

⁸ Said carrier is Aztec Transportation Co., Inc., a highway common carrier. The witness testified that Aztec received 45 percent of its revenues under rates in MRT 9-B, 50 percent of its revenues under rates in MRT 2, and 5 percent of its revenues from interstate transportation. The witness stated that when pool-car handling was determined to be interstate transportation not subject to the jurisdiction of this Commission (Baltimore Shippers et al. v. Calif. P.U.C. 268 F Supp. 836), the amount of traffic subject to MRT 9-B and the number of carriers earning revenues under said tariff fell sharply.

basis. Said cost increases range from 6.82 to 11.55 percent and average about 10 percent. The witness recommended that the interim surcharges be canceled and that, in lieu thereof, rates and charges in MRT 9-B be increased by the same percentage as the corresponding costs have been shown to have increased. The witness proposed that no increase be made in parcel rates in Item No. 420 of MRT 9-B, inasmuch as said rates would be higher than those of the rate-making carrier in the parcel field (United Parcel Service). Subsequent to the hearing, United Parcel Service was authorized to increase its package rates by 4 cents per package (Decision No. 77275, dated May 22, 1970, in Application No. 51871). In the Second Amendment to the petition herein, CTA requests that the parcel rates in Item No. 420 be correspondingly increased.

A staff engineer from the Commission's Transportation Division testified and presented late-filed Exhibit 116-3. The witness asserted that the criteria on which the Commission had based its conclusions in Decision No. 76353 as to which of the three offset methods described therein would be appropriate, rested principally upon the age (or remoteness) of the basic cost study underlying the minimum rates in each tariff. According to the witness, the basic cost study underlying MRT 9-B was presented in evidence in 1955. The data in said study may no longer reflect carriers' costs of operations within the San Diego Drayage area. Therefore, either the "direct wage offset" method or the "wage offset" method (footnote 6) is more appropriate for use herein than the "wage (cost) offset" method proposed by petitioner. The witness recommended that the "wage offset" method be adopted herein, as such method was found reasonable for use in connection with MRT 9-B rates in Decision No. 76353. Exhibit 116-3 illustrates the method of cost computation

recommended by the witness. It shows that the percentage increase in costs from those underlying the last adjustment in MRT 9-B class rates would range from one percentage point (for small shipments) to one-half percentage point (for truckload quantities) less than estimated by petitioner. California Manufacturers Association supports the position of the Commission staff and also urges that the wage offset method be adopted herein.

Discussion

Petitioner has endeavored to show that the "wage offset" method adopted in Decision No. 76353 is not appropriate. Petitioner relies upon the fact that the current indirect expense ratio for carrier operations under MRT 9-B is not less than that used by CTA in its basic study introduced in evidence in 1955. From this CTA concludes that the full amount of indirect expenses should be reflected in the current adjustment in MRT 9-B rates. Different reasoning is used by the staff. It urges that only that portion of indirect expenses which represent labor costs should be increased by the percentage increase in labor included in direct expenses. Inasmuch as it cannot now be determined the relationship of labor to total indirect expenses included in the basic study, the staff witness assumed that 50 percent of indirect expenses is related to labor. The purpose of increasing indirect expenses in this manner is to ensure that the offset rate adjustment reflects only changes resulting from increased labor costs. Assertedly, the offset procedures used to adjust minimum rate tariffs between major full-scale studies are designed to recover in rates increased labor and related costs, and that it is assumed that all other expenses remain constant.

The evidence introduced herein is not materially different from that considered in the proceeding leading to Decision No. 76353. On mimeographed pages 10 and 11 of that decision appears the following:

"The trucking association makes the observation that, if the staff opinion concerning indirect expenses is correct, one may reasonably expect to find (from a purely mathematical point of view) the established indirect expense ratios to be gradually decreasing over the past years. The CTA's director contends, however, that a review of cost presentations by both the staff and the CTA over the past 20 years has disclosed no situation wherein comparable indirect expense ratios have decreased. To further substantiate this latter contention, the director refers to a pending proceeding involving the Los Angeles Drayage MRT 5 rates (Order Setting Hearing, Decision No. 74991, in Cases Nos. 6322, 5435, et al.) wherein the Commission staff has introduced a cost study into evidence in which the direct costs reflect labor and allied payroll costs, effective as of April 1, 1969; whereas indirect costs are based upon indirect expense ratios developed by the staff in 1966 and subsequently found by them to be proper for their current 1969 Los Angeles Drayage cost study. The CTA concludes that over the past 20 years indirect expenses in total have experienced the same magnitude of cost increases which can be theoretically attributable to 'labor-related' indirect expense items only."

We concluded in Decision No. 76353 that, based on considerations similar to those presented herein, the appropriate method to adjust the minimum rates in MRT 9-B between major full-scale studies is the "wage offset" method. That decision states: "In view of the rather extensive period of time that the original cost and rate presentations underlying the minimum rates for the San Francisco and East Bay Drayage Areas have been in effect the more restrictive wage offset procedure proposed by the staff has merit and should be adopted ... [T]he longevity and overall competency of the basic cost and rate information supporting the rates in MRT 9-B are similar to that existing for the San Francisco and East Bay Drayage Areas."

In the circumstances, we find:

1. The "wage offset" method should continue to govern offset increases in the minimum rates in MRT 9-B, pending development of new full-scale cost and rate studies for that tariff.

2. Petitioner has measured the changes in costs occurring since the minimum rates were last adjusted using the "wage (cost) offset" method (Exhibit 116-1).

3. Adjusting the costs in Exhibit 116-1 to reflect the "wage offset" found reasonable in Finding 1 would result in cost increases for class rates in MRT 9-B since said rates were last adjusted on a permanent basis of approximately one percentage point less than set forth in Exhibit 116-1 for small shipments, and one-half percentage point less than the corresponding costs in Exhibit 116-1 for truckload shipments.

4. Adjustment of minimum rates on the offset method found reasonable in Finding 1 will result in rate increases over the rates established by Decision No. 75354 ranging from approximately 6.5 percent to 11.5 percent and averaging approximately 9.5 percent. Said increases will be reasonable and are justified.

The Commission concludes that the temporary surcharge increase authorized in Decision No. 77064 should be canceled; that MRT 9-B should be amended as provided in the tariff pages accompanying the following order; that common carriers should be authorized and directed to increase their rates as provided in the following order; and that, except to the extent granted herein, Petition No. 116, as amended, should be denied.

O R D E R

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 August 15, 1970, 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.

2. Common carriers subject to the Public Utilities Act, to the extent that they are subject also to Decision No. 67766, as amended, are hereby directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered herein.

3. Common carriers maintaining rates on a level other than the minimum rates for transportation for which rates are prescribed in Minimum Rate Tariff No. 9-B are authorized to increase such rates by the same amounts authorized for Minimum Rate Tariff No. 9-B rates herein.

4. Common carriers maintaining rates on the same level as Minimum Rate Tariff No. 9-B rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff No. 9-B are authorized to increase said rates by the same amounts authorized for Minimum Rate Tariff No. 9-B rates herein.

5. Common carriers maintaining rates at levels other than the minimum rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff No. 9-B are authorized to increase said rates by the same amounts authorized for Minimum Rate Tariff No. 9-B rates herein.

6. 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 August 15, 1970; and as to tariff publications which are authorized but not required, the authority herein granted shall expire unless exercised within sixty days after the effective date hereof.

7. 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.

8. Concurrently with the effectiveness of the revised tariff pages herein and, in the case of common carriers, concurrently with the effectiveness of the tariff publications required or authorized herein, the surcharges and authorities granted by Interim Surcharge Supplement and Order in Decision No. 77064, dated April 14, 1970, are canceled with respect to transportation covered by ordering paragraphs 1, 2, 3, 4 and 5.

9. In all other respects Decision No. 67766, as amended, shall remain in full force and effect.

10. Except to the extent granted herein, Petition for Modification No. 116, as amended, is hereby denied.

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

Dated at San Francisco, California, this 30th day of JUNE, 1970.

William S. ...
President

Robert ...
Commissioners

L. ...

J. ...

J. ...

Vernon L. Sturgeon

C 5441, Pet. #192; C 5432, Pet. #584; C 5432, Pet. #581;
C 5438, Pet. #77; C 7783, Pet. #25; C 7783, Pet. #23;
C 5439, Pet. #116

apl

J. P. VUKASIN, JR., COMMISSIONER and
VERNON L. STURGEON, COMMISSIONER, Concurring:

We concur in these decisions.

The increases are clearly necessary in the public interest to offset wage increases negotiated in the recent labor contracts with the teamsters.

Denial of these increases would pose a serious threat to the movement of goods by truck in California. However, the applicants should be placed on notice that increases of this magnitude contribute to the problems of inflation which beset the national economy and future negotiations should consider the impact on the total economy.

It is our intention in the future to scrutinize such increases very carefully when passing on such applications.



J. P. Vukasin, Jr., Commissioner



Vernon L. Sturgeon, Commissioner

San Francisco, California

June 30, 1970

APPENDIX A TO DECISION NO. ~~77445~~

LIST OF SUPPLEMENT AND REVISED PAGES TO MINIMUM RATE TARIFF 9-B
AUTHORIZED BY SAID DECISION

SUPPLEMENT 4

FOURTH REVISED PAGE 20

SIXTH REVISED PAGE 21

SEVENTH REVISED PAGE 22

SEVENTH REVISED PAGE 29

SIXTH REVISED PAGE 31

SEVENTH REVISED PAGE 34

NINTH REVISED PAGE 44

SECOND REVISED PAGE 44-A

FOURTH REVISED PAGE 45

NINTH REVISED PAGE 47

EIGHTH REVISED PAGE 49

(END OF APPENDIX A LIST)

SUPPLEMENT 4
(CANCELS INTERIM SURCHARGE SUPPLEMENT
AND ORDER INSOFAR AS IT APPLIES TO
MINIMUM RATE TARIFF 9-B AND SUPPLEMENT 3)
(SUPPLEMENT 4 CONTAINS ALL CHANGES)

TO

MINIMUM RATE TARIFF 9-B
NAMING
MINIMUM RATES, RULES AND REGULATIONS
FOR THE
TRANSPORTATION OF PROPERTY OVER THE
PUBLIC HIGHWAYS WITHIN A
DEFINED SAN DIEGO DRAYAGE AREA

BY

HIGHWAY CONTRACT CARRIERS
CEMENT CONTRACT CARRIERS
AND
RADIAL HIGHWAY COMMON CARRIERS

Decision No.

77445

EFFECTIVE

Issued by the
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
State Building, Civic Center
San Francisco, California 94102

| SECTION 1--RULES (Continued) | ITEM |
|--|--|
| <p style="text-align: center;">ALTERNATIVE APPLICATION OF COMMON CARRIER RATES</p> <p>Common carrier rates (including common carrier railroad switching rates) may be applied in lieu of the rates provided in this tariff when such common carrier rates produce a lower aggregate charge for the same transportation between the same points of origin and destination and for the same accessorial services than results from the application of the rates herein provided.</p> <p>When the common carrier rate used does not include accessorial services performed by the carrier, the following charges for such accessorial services shall be added: (See Note)</p> <ul style="list-style-type: none"> (a) For loading onto carrier's equipment, the charges provided in paragraph (d). (b) For unloading from carrier's equipment, the charges provided in paragraph (d) (c) For other accessorial services for which charges are provided in this tariff, the additional charge or charges so provided. (d) 07 cents per 100 pounds. <p>NOTE.--In applying the provisions of this item, a rate no lower than the common carrier rate and a weight no lower than the actual weight or published minimum weight (whichever is the higher) applicable in connection with the common carrier rate shall be used.</p> | <p>6110</p> |
| <p> ◊ Change) ◊ Increase) Decision No. 77445 </p> | |
| <p>EFFECTIVE</p> | |
| <p>Correction 127</p> | <p>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p> |

| SECTION 1--RULES (Continued) | ITEM | | | | | | | | | | | | | | | | | | |
|---|--|-------------------------|--|--|------------------|-----------------|--|-------------------|-------------------|--|--|-------------------|---|-----|-----|--------------------------------|----|----|-----|
| <p style="text-align: center;">ACCESSORIAL SERVICE</p> <p>When carrier performs any accessorial or incidental service which is not authorized to be performed under rates named in this tariff, and for which a charge is not otherwise provided, additional charges shall be assessed as provided in Item 140. The charge therein provided for unit of equipment shall apply whenever the accessorial or incidental service requires its use, or whenever the unit of equipment is inactivated by reason of its driver or helper being engaged in such service.</p> | 120 | | | | | | | | | | | | | | | | | | |
| <p style="text-align: center;">DELAYS TO EQUIPMENT</p> <p>When consignor or consignee is responsible for delay to carrier's equipment at or in vicinity of either point of loading or point of unloading in excess of 30 minutes (exclusive of time actually involved in loading or unloading), additional charges for delay time in excess of 30 minutes shall be assessed as provided in Item 140.</p> | 130 | | | | | | | | | | | | | | | | | | |
| <p style="text-align: center;">CHARGES FOR ACCESSORIAL SERVICES OR DELAYS</p> <p>For accessorial services or delays under the conditions specified in Items 120 and 130, charges shall be assessed for each period or fraction thereof, as follows:</p> <table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;"><u>Charges in Cents</u></th> </tr> <tr> <th></th> <th style="text-align: center;"><u>For First</u></th> <th style="text-align: center;"><u>For Each</u></th> </tr> <tr> <th></th> <th style="text-align: center;"><u>30 Minutes</u></th> <th style="text-align: center;"><u>Additional</u></th> </tr> <tr> <th></th> <th></th> <th style="text-align: center;"><u>15 Minutes</u></th> </tr> </thead> <tbody> <tr> <td>(a) For driver, helper or other employee, per man</td> <td style="text-align: center;">430</td> <td style="text-align: center;">215</td> </tr> <tr> <td>(b) For unit of equipment-----</td> <td style="text-align: center;">30</td> <td style="text-align: center;">15</td> </tr> </tbody> </table> | | <u>Charges in Cents</u> | | | <u>For First</u> | <u>For Each</u> | | <u>30 Minutes</u> | <u>Additional</u> | | | <u>15 Minutes</u> | (a) For driver, helper or other employee, per man | 430 | 215 | (b) For unit of equipment----- | 30 | 15 | 140 |
| | <u>Charges in Cents</u> | | | | | | | | | | | | | | | | | | |
| | <u>For First</u> | <u>For Each</u> | | | | | | | | | | | | | | | | | |
| | <u>30 Minutes</u> | <u>Additional</u> | | | | | | | | | | | | | | | | | |
| | | <u>15 Minutes</u> | | | | | | | | | | | | | | | | | |
| (a) For driver, helper or other employee, per man | 430 | 215 | | | | | | | | | | | | | | | | | |
| (b) For unit of equipment----- | 30 | 15 | | | | | | | | | | | | | | | | | |
| <p> o Change) Decision No. 77445 o Increase) </p> | | | | | | | | | | | | | | | | | | | |
| EFFECTIVE | | | | | | | | | | | | | | | | | | | |
| Correction 128 | ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA | | | | | | | | | | | | | | | | | | |

| SECTION 1--RULES (Continued) | ITEM | | | | | | | | | | | | | | | | | | | | | |
|---|--|-------------------------|--|-------------|---------------------|--|---|---|------------|---|----|-------------------------|----|----|-------------------------|----|----|-------------------------|----|----|-----------------------|-------------|
| <p>CHARGES FOR ESCORT SERVICE</p> <p>In addition to all other applicable rates and charges named in this tariff, the following charges shall be assessed on shipments requiring escort service:</p> <p>(a) A charge of \$9.50 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)</p> <p>(b) A charge shall be made equal to the actual cost of any bridge or ferry tolls incurred for each escort car.</p> <p>NOTE 1.--Service 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.</p> <p>NOTE 2.--Charges for fractions of an hour shall be determined in accordance with the following table:</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;"><u>MINUTES</u></th> <th></th> </tr> <tr> <th style="text-align: center;"><u>Over</u></th> <th style="text-align: center;"><u>But Not Over</u></th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">0</td> <td style="text-align: center;">8</td> <td style="text-align: right;">----- Omit</td> </tr> <tr> <td style="text-align: center;">8</td> <td style="text-align: center;">23</td> <td style="text-align: right;">----- shall be 1/4 hour</td> </tr> <tr> <td style="text-align: center;">23</td> <td style="text-align: center;">38</td> <td style="text-align: right;">----- shall be 1/2 hour</td> </tr> <tr> <td style="text-align: center;">38</td> <td style="text-align: center;">53</td> <td style="text-align: right;">----- shall be 3/4 hour</td> </tr> <tr> <td style="text-align: center;">53</td> <td style="text-align: center;">60</td> <td style="text-align: right;">----- shall be 1 hour</td> </tr> </tbody> </table> | <u>MINUTES</u> | | | <u>Over</u> | <u>But Not Over</u> | | 0 | 8 | ----- Omit | 8 | 23 | ----- shall be 1/4 hour | 23 | 38 | ----- shall be 1/2 hour | 38 | 53 | ----- shall be 3/4 hour | 53 | 60 | ----- shall be 1 hour | <p>6150</p> |
| <u>MINUTES</u> | | | | | | | | | | | | | | | | | | | | | | |
| <u>Over</u> | <u>But Not Over</u> | | | | | | | | | | | | | | | | | | | | | |
| 0 | 8 | ----- Omit | | | | | | | | | | | | | | | | | | | | |
| 8 | 23 | ----- shall be 1/4 hour | | | | | | | | | | | | | | | | | | | | |
| 23 | 38 | ----- shall be 1/2 hour | | | | | | | | | | | | | | | | | | | | |
| 38 | 53 | ----- shall be 3/4 hour | | | | | | | | | | | | | | | | | | | | |
| 53 | 60 | ----- shall be 1 hour | | | | | | | | | | | | | | | | | | | | |
| <p>CHARGES FOR PERMIT SHIPMENTS</p> <p>In addition to all other applicable rates and charges named in this tariff, the following charges shall be assessed on shipments requiring transportation permits:</p> <p>(a) A charge of \$10.80 shall be made for the service of securing each permit, and</p> <p>(b) A charge shall be made equal to the fee, if any, assessed by the governmental agency for issuing each permit.</p> | <p>6160</p> | | | | | | | | | | | | | | | | | | | | | |
| <p>o Change) o Increase)</p> | <p>Decision No. 77445</p> | | | | | | | | | | | | | | | | | | | | | |
| <p>EFFECTIVE</p> | | | | | | | | | | | | | | | | | | | | | | |
| <p>Correction 129</p> | <p>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p> | | | | | | | | | | | | | | | | | | | | | |

MINIMUM RATE TARIFF 9-B

| SECTION 1--RULES (Continued) | | | ITEM |
|---|-------------------------|---|------|
| MINIMUM CHARGE | | | |
| Except as otherwise provided, the minimum charge per shipment shall be as follows: (See Note) | | | |
| <u>Weight of Shipment (In Pounds)</u> | | | |
| <u>Over</u> | <u>But Not Over</u> | <u>Charge (In Cents)</u> | |
| 0 | 25 | 265 | |
| 25 | 50 | 305 | |
| 50 | 75 | 350 | |
| 75 | 100 | 370 | |
| 100 | 150 | 400 | ◊210 |
| 150 | 200 | 430 | |
| 200 | 250 | 460 | |
| 250 | 300 | 485 | |
| 300 | 400 | 525 | |
| 400 | 500 | 570 | |
| 500 | 600 | 630 | |
| 600 | 700 | 695 | |
| 700 | 800 | 730 | |
| 800 | 900 | 805 | |
| 900 | --- | 880 | |
| NOTE.--Will not apply on shipments made under the provisions of Item 420. | | | |
| ◊ Increase, Decision No. | | 77445 | |
| EFFECTIVE | | | |
| Correction 130 | | ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA. | |

MINIMUM RATE TARIFF 9-B

| SECTION 1--RULES (Continued) | | | | | | | | | | ITEM | | | | | | | | | | | | | | | | | | | | |
|---|-----|-----|----|-----|----|-----|-----|-----|-----|------|--------|-----|-----|----|-----|----|----|----|----|----|--------------------------------|----|----|----|----|----|-----|-----|-----|-----|
| POOL LOT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>(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:</p> <p>Merchandise classified as:</p> <table border="1"> <thead> <tr> <th>Class:</th> <th>100</th> <th>92½</th> <th>85</th> <th>77½</th> <th>70</th> <th>65</th> <th>60</th> <th>55</th> <th>50</th> </tr> </thead> <tbody> <tr> <td>Rates in cents per 100 pounds:</td> <td>39</td> <td>37</td> <td>35</td> <td>33</td> <td>31</td> <td>29½</td> <td>28½</td> <td>27½</td> <td>25½</td> </tr> </tbody> </table> | | | | | | | | | | | Class: | 100 | 92½ | 85 | 77½ | 70 | 65 | 60 | 55 | 50 | Rates in cents per 100 pounds: | 39 | 37 | 35 | 33 | 31 | 29½ | 28½ | 27½ | 25½ |
| Class: | 100 | 92½ | 85 | 77½ | 70 | 65 | 60 | 55 | 50 | | | | | | | | | | | | | | | | | | | | | |
| Rates in cents per 100 pounds: | 39 | 37 | 35 | 33 | 31 | 29½ | 28½ | 27½ | 25½ | | | | | | | | | | | | | | | | | | | | | |
| <p>(b) Classification ratings shall be based upon the LTL (less-truckload) ratings in the Governing Classification, Sections 2-A or 2-C of the Exception Ratings Tariff, or this tariff.</p> <p>(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 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 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.</p> <p>(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.</p> <p>(e) See Item 220 for mixed shipments.</p> <p>(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.</p> <p>(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.</p> | | | | | | | | | | | 0230 | | | | | | | | | | | | | | | | | | | |
| <p>◇ Increase, Decision No. 77445</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EFFECTIVE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Correction 131 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

SECTION 1--RULES (Continued) ITEM

SPLIT DELIVERY

The rate for transportation of a split delivery shipment shall be the rate applicable for the rate base determined as follows:

- (a) 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 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 each 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 Parts (Pounds) | | Split Delivery Charge for Each Component Part in Cents |
|------------------------------------|--------------|--|
| Over | But not Over | |
| 0 | 500 | -----190 |
| 500 | 1000 | -----230 |
| 1000 | 2000 | -----330 |
| 2000 | 4000 | -----460 |
| 4000 | 10000 | -----525 |
| 10000 | | -----625 |

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 2 shall apply.

6300

Change }
 Increase } Decision No.

77445

EFFECTIVE

Correction 132

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

| SECTION 2--RATE BASES AND RATES (Continued) | | | | | | | | | | ITEM |
|---|-----------------------------|-----|-----|-----|-----|-----|-----|-----|-----|------|
| CLASS RATES (In Cents per 100 Pounds) | | | | | | | | | | |
| Rate Basis | Any Quantity | | | | | | | | | |
| | 100 | 92½ | 85 | 77½ | 70 | 65 | 60 | 55 | 50 | |
| A | 90 | 86 | 81 | 77 | 73 | 70 | 66 | 63 | 61 | 0410 |
| B | 109 | 103 | 97 | 92 | 87 | 84 | 80 | 76 | 74 | |
| C | 122 | 116 | 110 | 104 | 97 | 93 | 90 | 85 | 83 | |
| D | 138 | 130 | 122 | 116 | 109 | 105 | 102 | 94 | 92 | |
| E | 147 | 140 | 131 | 124 | 116 | 112 | 108 | 102 | 100 | |
| F | 160 | 151 | 143 | 135 | 126 | 122 | 117 | 111 | 108 | |
| Rate Basis | Minimum Weight 2,000 Pounds | | | | | | | | | |
| | 100 | 92½ | 85 | 77½ | 70 | 65 | 60 | 55 | 50 | |
| A | 75 | 72 | 67 | 63 | 60 | 58 | 55 | 52 | 51 | 0410 |
| B | 87 | 83 | 78 | 74 | 68 | 66 | 64 | 61 | 59 | |
| C | 96 | 91 | 86 | 81 | 76 | 74 | 72 | 66 | 65 | |
| D | 108 | 102 | 96 | 91 | 86 | 83 | 79 | 75 | 74 | |
| E | 119 | 114 | 106 | 102 | 94 | 92 | 88 | 84 | 81 | |
| F | 132 | 125 | 118 | 112 | 105 | 102 | 98 | 92 | 90 | |
| Rate Basis | Minimum Weight 4,000 Pounds | | | | | | | | | |
| | 100 | 92½ | 85 | 77½ | 70 | 65 | 60 | 55 | 50 | |
| A | 55 | 53 | 50 | 48 | 45 | 43 | 40 | 38 | 37 | 0410 |
| B | 64 | 61 | 59 | 54 | 52 | 50 | 48 | 46 | 45 | |
| C | 77 | 74 | 68 | 65 | 61 | 59 | 56 | 53 | 52 | |
| D | 86 | 81 | 77 | 74 | 67 | 66 | 63 | 60 | 59 | |
| E | 92 | 88 | 84 | 79 | 74 | 72 | 68 | 64 | 63 | |
| F | 103 | 97 | 92 | 87 | 83 | 79 | 76 | 73 | 70 | |
| ♦ Increase, Decision No. 77445 | | | | | | | | | | |
| EFFECTIVE | | | | | | | | | | |
| ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA. | | | | | | | | | | |
| Correction 133 | | | | | | | | | | |

MINIMUM RATE TARIFF 9-B

| SECTION 2--RATE BASES AND RATES (Continued) | | | | | | | | | | ITEM |
|---|------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|------|
| CLASS RATES (In Cents per 100 Pounds) | | | | | | | | | | |
| Rate Basis | Minimum Weight 10,000 Pounds | | | | | | | | | 0415 |
| | 100 | 92½ | 85 | 77½ | 70 | 65 | 60 | 55 | 50 | |
| A | 39 | 37 | 36 | 34 | 31 | 30 | 29½ | 28 | 27 | |
| B | 50 | 48 | 46 | 41 | 39 | 38 | 37 | 35 | 34 | |
| C | 58 | 54 | 52 | 49 | 46 | 45 | 43 | 39 | 38 | |
| D | 63 | 60 | 58 | 54 | 50 | 49 | 47 | 45 | 43 | |
| E | 74 | 70 | 65 | 62 | 59 | 56 | 54 | 51 | 50 | |
| F | 79 | 76 | 72 | 67 | 63 | 61 | 59 | 55 | 54 | |
| Rate Basis | Minimum Weight 20,000 Pounds | | | | | | | | | |
| | 100 | 92½ | 85 | 77½ | 70 | 65 | 60 | 55 | 50 | |
| A | 31 | 29½ | 27½ | 26 | 24½ | 23½ | 22½ | 21½ | 20½ | |
| B | 38 | 36 | 34 | 33 | 30 | 29½ | 28 | 26½ | 26 | |
| C | 43 | 40 | 38 | 36 | 34 | 33 | 31 | 30 | 29½ | |
| D | 50 | 48 | 45 | 41 | 39 | 38 | 37 | 35 | 34 | |
| E | 54 | 52 | 49 | 47 | 43 | 41 | 40 | 38 | 37 | |
| F | 60 | 56 | 54 | 51 | 49 | 47 | 45 | 43 | 40 | |
| Rate Basis | Minimum Weight 30,000 Pounds | | | | | | | | | |
| | 100 | 92½ | 85 | 77½ | 70 | 65 | 60 | 55 | 50 | |
| A | 27½ | 26 | 24½ | 23½ | 22 | 21½ | 20 | 19 | 18 | |
| B | 31 | 29½ | 27½ | 26 | 24½ | 23½ | 22½ | 21½ | 20½ | |
| C | 35 | 33 | 31 | 29½ | 28 | 27 | 26 | 24½ | 23½ | |
| D | 38 | 36 | 35 | 33 | 31 | 29½ | 28 | 27 | 26 | |
| E | 43 | 40 | 38 | 36 | 35 | 33 | 31 | 30 | 29½ | |
| F | 47 | 45 | 41 | 39 | 37 | 36 | 34 | 33 | 31 | |
| ◊ Increase, Decision No. 77445 | | | | | | | | | | |
| EFFECTIVE | | | | | | | | | | |
| ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA. | | | | | | | | | | |
| Correction 134 | | | | | | | | | | |

| SECTION 2--RATE BASES AND RATES (Concluded) | ITEM |
|---|--|
| <p style="text-align: center;">PARCEL RATES</p> <p>FREIGHT, regardless of classification:</p> <p> ¢36 cents per package or piece, plus 3 cents for each pound or fraction thereof of its gross weight, subject to an additional service charge of \$2.00 per week. (Subject to Notes 1 and 2)</p> <p>NOTE 1.--The consignor must elect in writing in advance to utilize the rate in this item for packages weighing 70 pounds or less tendered to the carrier during any calendar week.</p> <p>NOTE 2.--The service charge of \$2.00 per week shall not apply where packages are tendered at carrier's terminal.</p> | <p>6420</p> |
| <p> ◊ Change) ◊ Increase) Decision No. 77445 </p> | |
| <p>EFFECTIVE</p> | |
| <p>Correction 135</p> | <p>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p> |

| SECTION 3--EQUIPMENT RATES AND RULES | ITEM |
|---|--|
| <p style="text-align: center;">RULES</p> <p>(a) Rates named in this section are subject to Items 10 and 11, Definitions of Technical Terms; Item 20, Application of Tariff; Item 30, Application of Tariff--Territorial; Items 50 and 51, Application of Tariff--Commodities; Item 150, Charges for Escort Service; Item 160, Charges for Permit Shipments; Item 170, Collection of Charges; Items 180, 181 and 182, Collect on Delivery (C.O.D.) Shipments; Items 200 and 201, Issuance of Shipping Documents; Item 250, References to Items and Other Tariffs; and Item 260, Units of Measurement to Be Observed. They are not subject to the other rules and regulations provided in Section 1.</p> <p>(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.</p> <p>(c) Rates named in this section apply only when the property is transported by one carrier for one shipper.</p> <p>(d) Prior to the transportation of the property, the shipper must enter into 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 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 35780 to 35784, inclusive, of the Vehicle Code, State of California, and attached to or identified on the shipping document.</p> <p>(e) Rates named in Item 520 are subject to an additional charge at the rate of \$7.80 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 520.</p> <p>(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 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.</p> | <p>6500</p> |
| <p> o Change) o Increase) Decision No. 77445 </p> | |
| EFFECTIVE | |
| Correction 136 | ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA |

SECTION 3--EQUIPMENT RATES AND RULES (Concluded)

ITEM

FREIGHT, regardless of classification, subject to Note 1:

| Weight in Pounds (See Note 2) | Rates in Cents Per Hour | | |
|----------------------------------|-------------------------|----------|----------|
| | Column 1 | Column 2 | Column 3 |
| Less than 12,000----- | 930 | 1315 | 1700 |
| 12,000 but not over 20,000----- | 980 | 1335 | 1715 |
| Over 20,000----- | 1080 | 1405 | 1730 |

- (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.

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 $\frac{1}{2}$ hour.
- 23 minutes or more but less than 38 minutes shall be $\frac{2}{3}$ hour.
- 38 minutes or more but less than 53 minutes shall be $\frac{3}{4}$ 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.

6520

Change }
 Increase } Decision No. 77445

EFFECTIVE

Correction 137

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