ORIGINAL

Decision No. 78174

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation of National Motor Freight Traffic Association, Inc., Agent, for and on behalf of certain highway common carriers and express corporations, for authority to make various revisions in National Motor Freight Classification A-11.

Application No. 52223 (Filed October 2, 1970)

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
Petition for Modification
No. 603
(Filed October 2, 1970)

And Related Matters.

Cases Nos.
5435, 5436, 5439, 5441,
5603, 7783, 7857 and 7858
Petitions for Modification Nos.
161, 103, 128, 207, 92, 35, 38
and 83, respectively
(Filed October 2, 1970)

## OPINION AND ORDER

National Motor Freight Classification A-11 (NMFC A-11), published and maintained by the National Motor Freight Traffic Association, Inc., Agent, is the governing classification for the freight tariffs of various common carriers engaged in the intrastate transportation of property within California. Certain minimum

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rate tariffs of the Commission are also subject to the class ratings and/or other provisions of said classification.

By Application No. 52223, National Motor Freight Traffic Association, Inc., Agent, seeks authority, on behalf of the aforementioned California common carriers, to publish specified 2/ changes in NMFC A-11. In the subject petitions, California Trucking Association seeks to have the proposed revisions contained in Supplement 10 to the governing NMFC A-11 also adopted for subsequent application in connection with the Commission's several minimum rate tariffs. Petitioner also requests that common carriers be authorized and 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 collectively referred to as applicants, state that NMFC A-11 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 both shippers and carriers (Decision No. 68324, dated November 9, 1964, 63 Cal. P.U.C. 728).

Minimum Rate Tariffs 1-B (East Bay Drayage), 2 (General Commodities - Statewide), 5 (Los Angeles Drayage), 6-A (Petroleum), 9-B (San Diego Drayage), 11-A (Uncrated New Furniture), 14-A (Agricultural Commodities), 15 (Vehicle Unit Rates), and 19 (San Francisco Drayage); and Exception Ratings Tariff 1.

<sup>2/</sup> The proposed classification changes, which are published in Supplement 10 to NMRC A-11, and the related justifications therefor are set forth in Exhibits A and B, respectively, of the application.

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The proposed classification changes have assertedly been authorized by the National Classification Board after due process, including public hearing in California and other locations, and are generally effective November 30, 1970, for tariffs covering areas other than California. Granting of the sought authority would permit maintenance of uniformity of classification provisions between California and the balance of the nation.

A review of applicants' proposed revisions indicates that they pertain principally to (1) correction of publishing errors and omissions; (2) clarification and simplification of existing descriptions of articles; (3) cancellation of obsolete provisions; (4) establishment of new class ratings for specified commodities so as to reflect more precisely the transportation characteristics peculiar to such products; and (5) adjustments in truckload class ratings and minimum weight factors related thereto in order to be more reflective of the transportation characteristics of the particular articles involved, including their density load factors when placed in motor carriers' vehicular equipment. Such changes are within the framework of the criteria heretofore announced by the Commission for establishing revisions in the classification governing California intrastate traffic.

Copies of the application and petitions were mailed to various chambers of commerce, shipper organizations, carrier representatives and other interested parties on or about October 1, 1970. The pleadings were also listed on the Commission's Daily Calendar of October 6, 1970. All protests brought to the Commission's attention have now been resolved, except with respect to proposed classification changes set forth in Items 17350, 21190-A, 69435 and 190210-A of Supplement 10 to the governing classification.

<sup>3/</sup> Decisions Nos. 68324 and 68711, in Case No. 5432, et al., 63 Cal. P.U.C. 728 and 64 Cal. P.U.C. 146, respectively.

A. 52223, et al. hjh Based on its review of the matter, the Commission's Transportation Division staff recommends that the proposed classification changes, with the exception of the unresolved protests, be granted by ex parte order. In the circumstances, the Commission finds that: 1. Except as otherwise provided herein, the proposed classification revisions contained in Application No. 52223 are reasonable and, to the extent said classification changes will result in increases, such increases are justified. 2. The proposed classification changes set forth in Items 17350, 21190-A, 69435 and 190210-A of Supplement 10 to NMFC A-II should not be authorized at this time for application on California intrastate traffic. 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. 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 and charges for the transportation of property by highway carriers subject to the applicable minimum rate tariffs. The Commission concludes that, except as otherwise provided herein, the proposed classification changes set forth in Application No. 52223 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-11 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.

## IT IS ORDERED that:

- 1. National Motor Freight Traffic Association, Inc., Agent, on behalf of the involved common carriers participating in National Motor Freight Classification A-11, is authorized to establish and publish the classification ratings and rules set forth in Application No. 52223, except the proposed classification revisions contained in Items 17350, 21190-A, 69435 and 190210-A of Supplement 10 to the aforementioned governing classification. Publication of the classification provisions authorized herein for California intrastate traffic shall be filed not earlier than the effective date of this order and may be made effective not earlier than February 15, 1971, on not less than five days' notice to the Commission and to the public.
- 2. The proposed classification changes set forth in Items 17350, 21190-A, 69435 and 190210-A of Supplement 10 to National Motor Freight Classification A-II are not authorized at this time for application on California intrastate traffic.
- 3. Except as otherwise provided in ordering paragraph 7 hereof, the classification ratings and rules authorized herein are approved and adopted as the just, reasonable and nondiscriminatory ratings and rules to govern the minimum rates and rules promulgated by the Commission in Minimum Rate Tariffs 1-B, 2, 5, 6-A, 9-B, 11-A, 14-A, 15 and 19.

A. 52223, et al. hjh 4. Tariff publications required to be made by common carriers as a result of ordering paragraph 3 hereof shall be filed not earlier than the effective date of this order and may be made effective not earlier than February 15, 1971, on not less than five days' notice to the Commission and to the public; such tariff publications which are authorized but not required to be made by common carriers as a result of ordering paragraph 3 hereof may be made effective not earlier than February 15, 1971, and may be made effective on not less than five days' notice to the Commission and to the public if filed not later than April 1, 1971. 5. The classification ratings and rules authorized to be established by ordering paragraph 3 hereof are authorized to be made applicable also for the transportation of: Commodities for which minimum rates have not been established, or 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 1-B, 2, 5, 6-A, 9-B, 11-A, 14-A, 15 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 1-B, 2, 5, 6-A, 9-B, 11-A, 14-A, 15 and 19 and Exception Ratings Tariff 1 are authorized to be maintained in connection with the ratings and rules authorized and directed to be established herein. 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 1 and Minimum Rate Tariffs 1-B, 2, 5, 6-A, 9-B, 11-A, 14-A, 15 and 19.

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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.

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

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Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.