

Decision No. 78198

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
 for the purpose of considering and)
 determining revisions in or)
 reissues of Minimum Rate Tariff)
 No. 14-A.)

Case No. 7857
 Petition for Modification No. 40
 (Filed November 25, 1970)

And Related Matters.)

Case No. 5432, Pet. 606
 Case No. 5435, Pet. 163
 Case No. 5439, Pet. 131
 Case No. 5441, Pet. 209
 Case No. 7858, Pet. 85
 (Filed October 30, 1970)

Vaughn, Paul & Lyons, by John G. Lyons, Attorney
 at Law, for American Forest Products Corporation,
 petitioner.

J. C. Kaspar, Arlo D. Poe and H. F. Kollmyer, for
 California Trucking Association, interested
 party.

Charles F. Gerughty, Jr., for the Commission staff.

O P I N I O N

American Forest Products Corporation seeks the establishment of commodity rates for the transportation of wood shavings used for bedding, in machine pressed bales, on the same levels as the commodity rates in Minimum Rate Tariff 14-A (MRT 14-A), on straw in machine pressed bales.

Public hearing was held and the matter submitted before Examiner Mallory at San Francisco, on November 25, 1970. The relief described above was not opposed by the parties. Evidence was presented by three witnesses testifying on behalf of petitioner.

Petitioner's traffic manager testified as follows:
 Petitioner's General Box Corporation Division operates a planing mill and wholesale lumber yard at Fresno. A by-product of this

operation is wood shavings, which are baled and sold in truckload lots as bedding for livestock and chinchillas. Sales are made generally throughout California. The present truckload transportation rates for wood shavings in bales are the distance class rates in Minimum Rate Tariff 2 (MRT 2), based on an interim exception rating of Class 35.4, minimum weight 24,000 pounds. Said interim exception rating is scheduled to expire December 31, 1970. Thereafter, the truckload classification rating of Class 35, minimum weight 24,000 pounds, set forth in Item 113730 of National Motor Freight Classification A-11, will be applicable.

Petitioner's traffic manager testified that the Class 35 rates in MRT 2 would result in substantial increases in transportation charges. The witness presented a comparison of the charges under Class 35.4 and Class 35 rates on three representative shipments from Fresno. Charges would be increased by amounts ranging from 48 to 57 percent. Assertedly, such increased transportation charges would cause the delivered price of baled wood shavings to exceed the price of baled straw, which is also used for bedding of livestock. For the foregoing reason, petitioner seeks a lower level of rates than Class 35 rates for the future.^{1/}

Petitioner's traffic manager presented data to show the relative density and value of straw and compressed wood shavings. According to the witness straw is shipped in 83-pound bales, having

^{1/} The petitions herein (except Petition No. 40 in Case No. 7857) seek the establishment of a permanent exception rating of Class 35.4, minimum weight 30,000 pounds on wood shavings. This relief was opposed by California Trucking Association (CTA). The relief sought was amended to request comparable commodity rates on wood shavings (used for bedding) as are now applicable to straw. The latter relief is not opposed by CTA.

a density of 8-1/2 pounds per cubic foot; and wood shavings are shipped in 65-pound bales having a density of 13 pounds per cubic foot. The delivered price of wood shavings under the present exception rates approximates that of straw.

The shipping supervisor of petitioner's Fresno box plant testified concerning loading and unloading times for truckload shipments of baled wood shavings, and to the proprietary operations conducted by petitioner. The witness stated that the increase in rates resulting from the application of Class 35 rates would cause all shipments of baled wood shavings from the Fresno plant to move in petitioner's proprietary equipment. The witness stated that freight charges under the proposed commodity rates would be slightly higher to most destinations than current Class 35.4 rates, and such rate increases are not sufficient to change the current pattern of distribution, using for-hire carriers.

A trucker who hauls the predominant amount of wood shavings shipped from petitioner's Fresno plant testified in support of the relief sought. Said witness stated that his operations under present rate levels are profitable and that he expected that operations under the proposed rate levels would continue to be profitable.

CTA's representative stated, in his closing statement, that the relief originally proposed (continuation of an exception rating) would have been opposed by his organization, but that CTA has no objection to the inclusion of wood shavings used for bedding, in bales, in Items Nos. 300 and 301 of MRT 14-A, provided that the minimum weight per shipment is applied to each unit of equipment

used. The latter request was opposed by petitioner, as such restriction would be made applicable only to wood shavings, and not to straw, which has a lower density.

The Commission finds:

1. Wood shavings in bales, when used for bedding of livestock and chinchillas, is a commodity of low value and said commodity competes in the market place with straw in bales.

2. Upon expiration of the current truckload exception rating of Class 35.4, the classification rating of Class 35 will cause increases in freight charges on wood shavings averaging about 50 percent.

3. Said increased transportation costs would raise the delivered price of wood shavings above that of straw. If Class 35 rates become effective on wood shavings, petitioner herein will use its own trucking equipment to move wood shavings in bales, in lieu of for-hire carriers, in order that the delivered price of wood shavings will remain competitive with straw.

4. Wood shavings and straw have similar uses and values, and the transportation characteristics of wood shavings in machine pressed bales are not less favorable than those of straw in machine pressed bales.

5. Just, reasonable and nondiscriminatory minimum rates and charges will result from the establishment in Minimum Rate Tariff 14-A of commodity rates on wood shavings used for bedding, in machine pressed bales, on the same levels as the rates in Items Nos. 300 and 301 of said tariff applicable to straw, in machine pressed bales.

6. Increases, if any, resulting from the establishment of rates on wood shavings in MRT 14-A are justified.

The Commission concludes that Petition No. 40 in Case No. 7857 should be granted to the extent indicated above; that MRT 14-A should be amended as provided by the order which follows; and that Petition No. 606, in Case No. 5432, and related petitions, should be dismissed.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 14-A (Appendix A to Decision No. 67397, as amended) is hereby further amended by incorporating therein, to become effective February 5, 1971, the revised pages set forth in Appendix A, which revised pages and appendix are attached hereto and by this reference made a part hereof.

2. Common carriers subject to the Public Utilities Act, to the extent that they are subject also to Decision No. 67397, as amended, are hereby directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered herein.

3. With respect to rates maintained by common carriers for transportation not subject to the minimum rate order herein involved and/or maintained on a level other than minimum rates for transportation for which rates are prescribed in the minimum rate order involved, said carriers are authorized to apply the increases established by this order.

4. Tariff publications required 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 fifth day after the effective date of this order 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 February 5, 1971; and the tariff publications which are authorized but not required to be made by common carriers as a result of the order herein may be made effective not earlier than the fifth day after the effective date of this order and may be made effective on not less than five 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.

5. 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.

6. In all other respects Decision No. 67397, as amended, shall remain in full force and effect.

7. Petitions Nos. 606, 163, 131, 209 and 85, in Cases Nos. 5432, 5435, 5439, 5441 and 7858, respectively, are hereby dismissed.

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

Dated at San Francisco, California, this 19th day of JANUARY, 1971.

Chairman

William J. Sycamore, Jr.
Paul M. ...
Vernon L. Sturgeon

Commissioners

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

APPENDIX A TO DECISION NO. ~~78198~~

LIST OF REVISED PAGES TO MINIMUM RATE TARIFF 14-A

AUTHORIZED BY SAID DECISION

FOURTH REVISED TITLE PAGE

SIXTH REVISED PAGE 2

FIFTH REVISED PAGE 5-A

FIRST REVISED PAGE 25

FOURTH REVISED PAGE 26

FIRST REVISED PAGE 26-A

(END OF APPENDIX A LIST)

MINIMUM RATE TARIFF 14-A

NAMING

MINIMUM RATES AND RULES

FOR THE

TRANSPORTATION, IN BULK, OF
AGRICULTURAL COMMODITIES *AND
RELATED ARTICLES

NAMED HEREIN

OVER THE PUBLIC HIGHWAYS WITHIN THE
STATE OF CALIFORNIA

BY

RADIAL HIGHWAY COMMON CARRIERS

AND

HIGHWAY CONTRACT CARRIERS

The original tariff contains rates and rules established in Decision No. 67397 in Case No. 7857. Changes will be made by issuing revised or added pages or by issuing supplements.

* Addition, Decision No. 78198

Correction 107

EFFECTIVE
(Original Tariff Effective July 25, 1964)

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

TABLE OF CONTENTS	ITEM Except As Shown (Inclusive)
Correction Number Checking Sheet-----	Page 1
RATES:	
Distance Commodity Rates--Hay, Fodder, Straw and *Wood Shavings (Section 3)-----	300-310
Territorial Commodity Rates--Hay (Section 4)-----	400
Distance Commodity Rates--Grain, Rice, Grain Products, Animal or Poultry Feed, Seeds, and Related Articles (Section 5)-----	550
Distance Commodity Rates--Seeds (Cotton, Flax or Safflower) (Section 6)-----	600
RULES AND REGULATIONS (Section 1):	
Accessorial Services Not Included in Common Carrier Rates-----	220
Additional Charges for Split Pickup or Split Delivery Shipment-----	170
Alternative Application of Combinations with Common Carrier Rates-----	210
Alternative Application of Common Carrier Rates-----	200
Application of Governing Publications-----	45
Application of Rates-----	100
Application of Rates Making Specific Reference Hereto (Section 5)-----	510, 512
Application of Tariff--Carriers-----	20
Application of Tariff--Commodities-----	40
Application of Tariff--Territorial-----	30
Charges for Accessorial Services-----	110, 130
Charges for Equipment Held After Free Time Has Elapsed-----	130
Collection of Charges-----	240
Collect on Delivery (C.O.D.) Shipments-----	230-232
Commodity Descriptions (Section 5)-----	515-530
Computation of Distances-----	90
Definition of Technical Terms Not Defined in Individual Items-----	10-11
Delays to Equipment-----	120
Field Pickup Shipment-----	180
Gross Weight-----	60
Issuing Documents-----	250-251
Rates Based on Varying Minimum Weights-----	70
Shipments To Be Rated Separately-----	50
Shipments Transported in Multiple Lots-----	140-141
Split Delivery Shipment-----	160-161
Split Pickup Shipment-----	150-151
Stopping in Transit-----	190
Territorial Descriptions (Section 2)-----	260-290
Units of Measurement To Be Observed-----	80
* Change) Decision No. 78198 * Addition)	
EFFECTIVE	
Correction 108	ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.

MINIMUM RATE TARIFF 14-A

SECTION 1--RULES OF GENERAL APPLICATION (Continued)	ITEM
<p style="text-align: center;">APPLICATION OF TARIFF--COMMODITIES</p> <p>Rates in this tariff apply for the transportation of the following commodities:</p> <ul style="list-style-type: none"> ⓐ Hay, Fodder (bean, cane, corn or pea), Straw,*Wood Shavings (used for bedding), in machine pressed bales; ⓑ Grain; Grain Products; Feed, Animal or Poultry; and certain mixtures of commodities named in Items 515, 520, 525 and 530, in bulk, or in bins; ⓒ Seeds and Related Articles, as described in Item 525, in bulk, or in bins, or in containers with a capacity exceeding 40 cubic feet; ⓓ Seeds, viz.: Cotton, Flax or Safflower. <p>EXCEPTIONS:</p> <p>This tariff is not applicable to:</p> <ul style="list-style-type: none"> ⓐ Transportation of property of the United States or property transported under an agreement whereby the United States contracted for the carrier's services. ⓑ Disaster Supplies, i.e., those commodities which are allocated to provide relief during a state of extreme emergency or state of disaster; and those commodities which are transported for a civil defense or disaster organization established and functioning in accordance with the California Disaster Act to ultimate point of storage or use prior to or during a state of disaster or state of extreme emergency. ⓒ Seeds (other than cotton, flax or safflower), as described in Item 525, when shipped from point of growth to an accumulation station or point of initial processing, or from an accumulation station to point of initial processing; in bulk, or in containers with a capacity exceeding 40 cubic feet. ⓓ Property which is exempt from regulation by the Interstate Commerce Commission under Sections 203(b) (6) and 203(b) (8) of the Interstate Commerce Act. ⓔ Shell Marl when shipper certifies on the shipping document covering the transportation that the Shell Marl is being shipped for use as a fertilizer. 	40
<p style="text-align: center;">APPLICATION OF GOVERNING PUBLICATIONS</p> <p>This tariff is governed to the extent shown herein by the Governing Classification.</p>	45
<div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="margin-right: 20px;"> <p>ⓐ Change)</p> <p>* Addition)</p> </div> <div> <p>Decision No. 78198</p> </div> </div>	
EFFECTIVE	
<div style="display: flex; justify-content: space-between;"> <div>Correction 109</div> <div>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</div> </div>	

SECTION 3

DISTANCE COMMODITY RATES

HAY, FODDER (Bean, Cane,
 Corn or Pea), STRAW, OR
 *WOOD SHAVINGS (Used for Bedding)
 In Machine Pressed Bales

* Addition, Decision No. 78198

EFFECTIVE

Correction 110

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

SECTION 3--DISTANCE COMMODITY RATES (In Cents Per 100 Pounds)						ITEM
HAY, FODDER (Bean, Cane, Corn or Pea), STRAW, or WOOD SHAVINGS (Used for Bedding), in machine pressed bales (See Note)						
(1) MILES Over But Not Over		MINIMUM WEIGHT IN POUNDS				
		Less than 20,000	20,000	30,000	(2) 40,000	
0	3	36	19½	12½	11	6300
3	5	37	22	13½	12½	
5	10	38	23	14½	13½	
10	15	39	24	15½	14½	
15	20	41	25	16½	15½	
20	25	42	26	17½	16½	
25	30	43	27	18½	17½	
30	35	44	29	19½	18½	
35	40	45	31	21	19½	
40	45	46	32	22	21	
45	50	48	34	24	23	
50	60	50	36	25	24	
60	70	52	38	27	25	
70	80	54	41	28	27	
80	90	56	44	29	28	
90	100	58	47	30	29	
100	110	60	50	31	30	
110	120	62	51	32	31	
120	130	64	53	33	32	
130	140	67	55	34	33	
140	150	69	58	36	34	
150	160	71	60	37	35	
160	170	73	62	39	36	
170	180	74	64	42	37	
180	190	76	65	44	38	
190	200	78	68	47	41	
200	220	81	70	49	43	
220	240	84	72	51	45	
240	260	87	74	53	47	
260	280	90	77	55	49	
280	300	95	81	57	52	
300	325	98	85	60	54	
325	350	102	88	62	56	
350	375	106	93	65	59	
375	400	109	96	68	61	
400	425	113	100	71	63	
425	450	116	104	73	65	
450	475	121	107	75	68	
475	500	124	111	78	71	
500	525	128	114	80	73	
(1) See Item 90. (2) Rates in this column do not apply for the transportation of hay between points for which rates are provided in Item 400. NOTE.--An additional charge of 4½ cents per 100 pounds shall be assessed for loading field pickup shipments, as defined in Item 180, other than when loading is performed by a power operated hay loader.						
† Change } * Addition } Decision No. 78198						
EFFECTIVE						
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA						
Correction 111						

MINIMUM RATE TARIFF 14-A

SECTION 3--DISTANCE COMMODITY RATES (In Cents Per 100 Pounds)						ITEM
HAY, FODDER (Bean, Cane, Corn or Pea), Straw, or *WOOD SHAVINGS (Used for Bedding), in machine pressed bales (See Note)						301
(1) MILES		MINIMUM WEIGHT IN POUNDS				
Over	But Not Over	Less than 20,000	20,000	30,000	(2) 40,000	
525	550	132	119	83	75	
550	575	136	123	85	78	
575	600	139	127	88	80	
600	625	143	131	90	82	
625	650	147	134	94	84	
650	675	151	138	97	87	
675	700	155	142	100	89	
700	725	159	147	103	91	
725	750	162	151	105	94	
750	775	166	155	108	97	
775	800	171	160	111	101	
800	850	176	164	114	104	
850	900	181	169	119	107	
900	950	186	175	122	110	
950	1,000	192	180	126	113	
1,000	1,050	199	185	129	116	
1,050	1,100	204	189	133	120	
1,100	1,150	209	194	136	124	
1,150	1,200	214	200	140	127	
(1) See Item 90. (2) Rates in this column do not apply for the transportation of hay between points for which rates are provided in Item 400. NOTE.--An additional charge of 4½ cents per 100 pounds shall be assessed for loading field pickup shipments, as defined in Item 180, other than when loading is performed by a power operated hay loader.						
* Change) * Addition) Decision No. 78198						
EFFECTIVE						
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.						

Correction 112

Correction 112