

ORIGINAL

Decision No. 78293

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 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. 625

And Related Matters

) Case No. 5435, Petition No. 173
) Case No. 5436, Petition No. 108
) Case No. 5439, Petition No. 139
) Case No. 5441, Petition No. 220
) Case No. 5603, Petition No. 96
) Case No. 7783, Petition No. 38
) Case No. 7857, Petition No. 44
) Case No. 7858, Petition No. 92
) Application No. 52402

(Filed January 15, 1971)

OPINION AND ORDER

Various common carriers engaged in intrastate transportation within California participate in National Motor Freight Classification A-11, hereinafter referred to as the Governing Classification, for class ratings and other provisions. Also, certain Commission minimum rate tariffs are subject to the class ratings and/or other provisions of such classification.

By Application No. 52402, National Motor Freight Traffic Association, Inc., Agent, seeks authority, on behalf of such common carriers, to publish specific revisions in the Governing Classification to become effective March 5, 1971, concurrently with the

national effective date for such revisions.¹ By the above petitions, California Trucking Association seeks to have the ratings and other provisions in the Governing Classification similarly revised to govern the minimum rates and rules in certain Commission minimum rate tariffs.² Petitioner requests that all common carriers be 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 referred to as applicants, state that the Governing Classification 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 the carriers and shippers. Applicants allege that the sought revisions have been authorized by the National Classification Board, after due process, and are generally scheduled to become effective March 5, 1971, for tariffs covering areas other than California and that such revisions, if authorized, would permit maintenance of uniformity of classification provisions between California and the rest of the nation.

¹ The changes, which are provided in Supplement 23 to the Governing Classification, are set forth in Exhibit A and the related justifications are set forth in Exhibit B, both of which are attached to the application.

² The tariffs are Minimum Rate Tariffs Nos. 1-B (East Bay Drayage), 2 (General Commodities Statewide), 5 (Los Angeles Drayage), 6-A (Petroleum and Petroleum Products Statewide), 9-B (San Diego Drayage), 11-A (Uncrated New Furniture Statewide), 14-A (Agricultural Commodities Statewide), 15 (Vehicle Unit Rates) and 19 (San Francisco Drayage) and Exception Ratings Tariff No. 1.

A review of applicants' proposed revisions indicates that, except for a change in C.O.D. charges, they pertain principally to (1) format of classification; (2) correction of publishing errors and omissions; (3) clarification of existing descriptions of articles; (4) cancellation of obsolete provisions; and (5) establishment of specific ratings for newly designed or manufactured articles. These principal changes are within the framework of the criteria heretofore announced by this Commission for establishing revisions in the Governing Classification on California intrastate traffic.³ The proposed charges for collecting and remitting the amount of each C.O.D. bill would result in increases of approximately 10 percent. Applicants declare that these revised charges reflect the increased costs for performing this service.⁴

Copies of the application and petitions were mailed to various chambers of commerce, shipper organizations, carrier representatives and other interested parties on or about January 15, 1971. The application and petitions were listed on the Commission's Daily Calendar of January 19, 1971. No objection to the granting of the application and petitions has been received.

The Transportation Division staff has reviewed the application and petitions and recommends that, except for the proposed increases in the C.O.D. charges, they be granted by ex parte order.

³ See Decision No. 68324 in Case No. 5432, et al., 63 Cal.P.U.C. 728.

⁴ Commission staff analysis reveals that, of the 89 revisions in question, 32 would result in increases, 11 in reductions and 46 in neither increases nor reductions. Of the 32 increases, 24 involve cancellation of obsolete commodities and modification of ratings and minimum weights on certain commodities to reflect more adequately their transportation characteristics and 3 involve changes in commodity descriptions.

In the circumstances, it appears, and the Commission finds that:

1. The proposed adjustment in the charges for collecting and remitting the amount of each C.O.D. bill is not within the framework of the criteria heretofore announced by the Commission for establishing revisions in the Governing Classification on California intrastate traffic and should not be authorized in this proceeding.

2. Except as provided in Finding No. 1, the proposed classification revisions set forth in Application No. 52402 are reasonable and, to the extent that said ratings and rules will result in increases, such increases are justified.

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. Except as provided in Finding No. 1, 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 non-discriminatory minimum rates and charges for the transportation of property by highway carriers subject to the applicable minimum rate tariffs.

Based on the above findings, the Commission concludes that the proposed classification changes set forth in Application No. 52402 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. 52402, except the provisions of Item 430-B therein, to become effective not earlier than March 5, 1971, on not less than two days' notice to the Commission and to the public.

2. Except as otherwise provided in Ordering Paragraph 6 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 Nos. 1-B, 2, 5, 6-A, 9-B, 11-A, 14-A, 15 and 19.

3. Tariff publications required to be made by common carriers as a result of Ordering Paragraph 2 hereof shall be made effective March 5, 1971, on not less than two days' notice to the Commission and to the public and tariff publications which are authorized but not required to be made by common carriers as a result of Ordering Paragraph 2 hereof may be made effective not earlier than March 5, 1971, and may be made effective on not less than two days' notice to the Commission and to the public if filed not later than May 4, 1971.

4. The classification ratings and rules authorized to be established by Ordering Paragraph 2 hereof are authorized to be made applicable also for the transportation of:

- (a) Commodities for which minimum rates have not been established, or
- (b) 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 Nos. 1-B, 2, 5, 6-A, 9-B, 11-A, 14-A, 15 and 19.

5. 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 Nos. 1-B, 2, 5, 6-A, 9-B, 11-A, 14-A, 15 and 19 and Exception Ratings Tariff No. 1 are authorized to be maintained in connection with the ratings and rules authorized and directed to be established herein.

6. Except as provided in Ordering Paragraph 5 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 No. 1 and Minimum Rate Tariffs Nos. 1-B, 2, 5, 6-A, 9-B, 11-A, 14-A, 15 and 19.

7. 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.

Dated at San Diego, California, this 9th day of February, 1971.

J. Williams
Chairman
John L. Stinson
Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.