

Decision No. 78448

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)
Western Motor Tariff Bureau, Inc., to)
Amend Rule No. 282 for and on behalf)
of its participating carrier's in its)
Bureau Tariff No. 111 and to depart)
from the terms of Section 454 of the)
Public Utilities Code to accomplish)
the desired amendments.)

Application No. 52351
(Filed December 14, 1970)

OPINION AND ORDER

By this application, Western Motor Tariff Bureau, Inc., seeks authority on behalf of various highway common carriers participating in one of its tariffs, to: (1) compute the charges on a diverted shipment by combining the transportation charges from point of origin to point of diversion with the transportation charges from point of diversion to point of destination; (2) increase the charge for diversion or reconsignment of a shipment from \$3.31 to \$3.50; (3) require that uniform bills of lading be surrendered for cancellation, endorsed or exchanged before orders for reconsignment of shipments moving under such documents can be considered valid; and (4) require that instructions for reconsignment of C.O.D. shipments be in writing and accepted from the consignor only.¹

Applicant states that the proposed amendments have three primary objectives: (1) to establish a positive application of rates where a diversion or reconsignment occurs; (2) to publish a charge that more readily reflects operating costs in handling

¹ The provisions pertaining to diverted or reconsigned shipments are set forth in Item No. 282 of Western Motor Tariff Bureau, Inc., Agent, Local, Joint and Proportional Freight and Express Tariff No. 111, Cal.P.U.C. No. 15.

diverted or reconsigned shipments; and (3) to establish provisions defining carriers' responsibilities on shipments moving under uniform bills of lading or C.O.D. shipments which are either diverted or reconsigned.

Applicant alleges that, in accepting instructions to divert or reconsign shipments, the carriers are often required to unload their trucks completely in order to remove the shipments that are to be diverted or reconsigned and then reload such shipments on other vehicles. Applicant avers that this procedure disrupts normal traffic scheduling and requires additional help creating an undue burden on normal freight traffic. According to applicant, this type of a shipment also requires the issuance of new bills of lading and correction of freight bills. Applicant avers that the proposed amendments would afford the carriers some measure of protection against out-of-pocket losses incurred in transporting diverted or reconsigned shipments.

The application was listed on the Commission's Daily Calendar of December 15, 1970. No objection to the granting of the application has been received.

Commission staff analysis discloses that the provisions concerning the handling of shipping documents in connection with diverted shipments and the processing of requests for diversion of C.O.D. shipments would make the carriers' responsibilities definite. Computation of the transportation charges on a diverted shipment by combining the transportation charges from point of origin to point of diversion with the transportation charges from point of diversion to point of destination would result in substantial increases in the charges for the services involved. The charge for

diversion or reconsignment service was increased by 12½ percent on January 1, 1971. Computation of the transportation charges and the additional increase in the charge for diversion or reconsignment service, as proposed, have not been justified and should not be authorized at this time. The staff recommends that a hearing be scheduled for the receipt of additional evidence with respect to the proposed computation of transportation charges on diverted shipments and the increase in the service charge for diversion or reconsignment and that the other proposals in the application be granted by ex parte order.

In the circumstances, it appears, and the Commission finds, that the proposed provisions pertaining to the handling of shipping documents in connection with diverted shipments and the processing of requests for reconsignment of C.O.D. shipments are justified. A public hearing should be scheduled for the receipt of evidence concerning the proposed computation of transportation charges on diverted shipments and the increase in the service charge for diversion or reconsignment. The Commission concludes that the application should be granted to the extent indicated in the ensuing order.

IT IS ORDERED that:

1. Western Motor Tariff Bureau, Inc., is hereby authorized to publish, on behalf of all carriers participating in its Local, Joint and Proportional Freight and Express Tariff No. 111, Cal.P.U.C. 15, the proposed diversion and reconsignment provisions except the provisions pertaining to the computation of transportation charges on diverted shipments and the increase in the service charge for diversion or reconsignment.

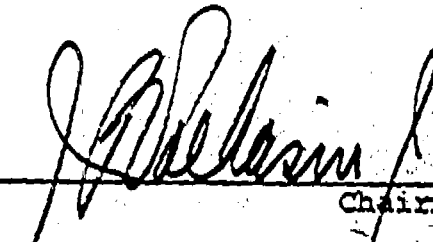
2. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and to the public.

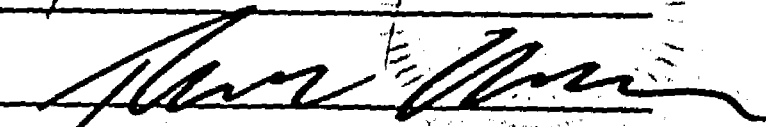
3. A public hearing shall be scheduled in this proceeding for the receipt of evidence on the proposed provisions concerning the computation of transportation charges on diverted shipments and the increase in the service charge for diversion or reconsignment.


The authority granted herein shall expire unless exercised within ninety days after the effective date of this order.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 29th day of March, 1971.


Chairman


Vernon L. Stinger


Commissioners

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