

ORIGINAL

Decision No. 79888

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 Exception Ratings Tariff No. 1.

Case No. 7858
Petition for Modification
No. 130
(Filed January 12, 1972;
Amended February 7, 1972)

OPINION AND ORDER

The Jacobsen Bros. Turf Farms seeks the establishment of a truckload exception rating for "Sod, chopped or not chopped", as described in Item 176880 of the National Motor Freight Classification A-12. Said governing classification provides a Class 35, minimum weight 40,000 pounds, truckload rating for sod. Petitioner seeks the establishment of a Class 35.4, minimum weight 45,000 pounds, truckload exception rating for the movement of sod. It is proposed that the sought exception rating be made subject to various conditions not presently reflected in the applicable rating named in the Classification.

Petitioner is engaged in the growing, processing and distribution of sod for landscaping. This material is used at school sites, on playing fields, and for business, industrial and private home decorative purposes. Petitioner explains that prior to the adoption of the National Motor Freight Classification by Decision No. 76413 (68 Cal. P.U.C. 445), sod was transported under the rail-oriented class ratings named in the then governing Western Classification. Since the adoption of the aforementioned motor carrier classification for minimum class rate determination, the petitioner states that much of the for-hire transportation of sod has been diverted to proprietary carriage due to the relatively high transportation cost increases incurred, the import of competitive artificial turf, and the general inflationary trend in the economy. Petitioner contends that the transportation circumstances and conditions relating to the movement of its product locally in

California are generally different from, and more favorable than, those experienced nationally and upon which the current classification ratings are based. For this reason, plus the fact that the sought exception rating is peculiar to California in that it is lower than any named in the governing classification, the sought relief is made directly to the Commission rather than to the National Classification Board as recommended in Decision No. 67610 (63 Cal. P.U.C. 170).

In support of alleged "more favorable" transportation circumstances and conditions involved in the local movement of sod, petitioner directs attention to the various limitations under which the proposed exception rating will apply. It is explained that such restrictions reflect the efficiencies and economies in the performance of motor carrier service which minimize carrier costs and enable resultant savings to be reflected in lower class ratings. They include such restrictions as the shipper sharing of carrier liability (release value of goods shipped) in the event of loss or damage to shipment, expedited loading and unloading of freight through use of pallets and power equipment, limited split delivery service, reduced operating expenses due to shipments being restricted to straight loads, prepayment of charges, and transportation of full loads on single carrier units of equipment.

The petitioner states that its proposal has been discussed with and developed through cooperation of carriers currently employed in the transportation of sod. Finally, petitioner avers that it desires to hold the existing traffic to for-hire carriage and to stimulate additional movement in for-hire service, to which the sought exception rating will assertedly address itself. Petitioner requests that the relief sought herein be authorized by ex parte order.

A highway carrier engaged in the transportation of sod and the California Trucking Association, after reviewing the relief sought herein, have advised the Commission that they have no

objection to the requested ex parte consideration of petitioner's rate proposal. Petition 130 was listed on the Commission's Daily Calendar of January 13, 1972. No objection to the granting of the petition has been received.

The Commission finds that:

1. The transportation of sod within California, under the circumstances and conditions set forth by petitioner herein, reflects more favorable transportation characteristics than contemplated in the establishment of the present applicable truckload class rating for sod named in the National Motor Freight Classification A-12.

2. The favorable transportation characteristics established for sod are similar to various other commodities currently subject to exception ratings named in the Commission's Exception Ratings Tariff 1.

3. The petitioners sought relief would, if adopted, result in rates lower than the class rates currently applicable to the transportation of sod in California.

4. The proposed truckload exception rating for sod is reasonable and the resulting rates will be just, reasonable and non-discriminatory minimum rates for the transportation involved.

The Commission concludes that Petition for Modification No. 130, in Case No. 7858 should be granted, subject to minor technical corrections for reasons of tariff clarification and simplification. A public hearing is not necessary.

IT IS ORDERED that:

1. Exception Ratings Tariff 1 (Appendix A to Decision No. 66195, as amended) is hereby further amended by incorporating therein, to become effective May 13, 1972, Thirty-First Revised Page 3 and Sixth Revised Page 25, 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 to Decision No. 66195, as amended, are hereby authorized to establish in their tariffs the amendments necessary to conform with the further adjustments ordered herein.

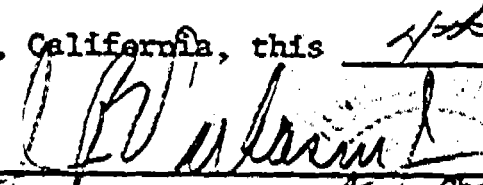
3. Tariff publications authorized to be made by common carriers as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than the tenth day after the effective date of this order, and may be made effective on not less than ten 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.

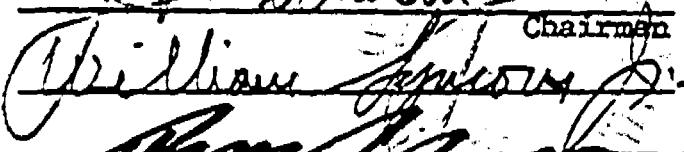
4. Common carriers, in establishing and maintaining the rates authorized hereinabove, are hereby authorized to depart from the provisions of Section 460 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such 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.

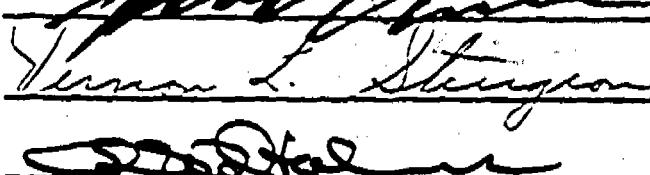
5. In all other respects Decision No. 66195, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 4th day of APRIL, 1972.



Chairman


Vernon L. Sturgeon


Commissioners

EXCEPTION RATINGS TARIFF 1

| INDEX OF COMMODITIES | | | |
|--|-------------|--|------|
| COMMODITIES | ITEM | COMMODITIES | ITEM |
| Acids | 1200 | Kernels, corn, roasted | 480 |
| Articles as described in the Governing Classification | 1030-1050 | ** | |
| Blankets | 1800 | Logs, compressed sawdust | 600 |
| ** | | Machines, viz.: Accounting Card Copying, Duplicating or Reproducing | 1850 |
| ** | | Pads, sanitary | 755 |
| *Carriers, shipping | 270 | *Paper Articles | 1640 |
| *Carriers, used packages | 320,321,340 | Returned Shipments | 820 |
| Cartons, egg, pulp | 270 | Salt, common (Sodium Chloride) | 880 |
| *Cases, egg or egg carrier | 450 | Shipments, returned | 820 |
| filler flats, wood pulp | 1320 | *Sod, chopped or not chopped | 860 |
| Chemicals | 366 | ** | |
| Clay, viz.: (Bentonite) | 480 | *Strontium Nitrate | 870 |
| Cocoa or Cocoa Paste | 460 | Sugar | 940 |
| Compounds, tree and weed killing | 480 | Wood, fuel | 600 |
| Confectionery | 1855-1857 | Wood, kindling | 600 |
| Containers, sheet steel | | | |
| Fertilizers | 540,560,580 | | |
| Flowers, fresh, cut | 592 | | |
| ** | | | |
| ** | | | |

* Change)
 * Addition) Decision No. **79888**
 ** Eliminated)

EFFECTIVE

Correction

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

| SECTION 2--RATINGS WHICH ARE EXCEPTIONS TO THE GC (Continued) | | ITEM |
|---|--------|---|
| (Numbers within parentheses immediately following commodities shown below refer to such commodities as they are described in the corresponding item numbers of the Governing Classification.) | | |
| ARTICLES | Rating | |
| <p>Sod, chopped or not chopped (176880), (Subject to Notes 1 through 10):</p> <p>Truckload minimum weight 45,000 pounds</p> <p>NOTE 1.--Applies only when all provisions of the following notes are met. Otherwise, provisions of the Governing Classification shall apply.</p> <p>NOTE 2.--Rates resulting from application of the provisions of this item may not be used in combination with any other rates.</p> <p>NOTE 3.--Applies only in connection with prepaid shipments released to one-half of actual value or 50 cents per pound per article, whichever is less. Shipper must enter the following statement on the bill of lading or shipping document as follows:</p> <p>"The agreed or declared value of the property is hereby stated by the shipper to be one-half of actual value or 50 cents per pound, per article, whichever is less."</p> <p>If shipper fails or declines to declare such value in writing, the provisions of this item will not apply.</p> <p>NOTE 4.--Applies only in connection with shipments loaded by consignor and unloaded by consignee with power equipment, furnished and used without expense to the carrier. In such circumstances, physical assistance of the carrier employee is restricted to work within or on carrier's equipment and does not include stacking, unstacking, removal or placement of merchandise on pallets.</p> <p>NOTE 5.--If more than one vehicle or combination of vehicles constituting a single unit of carrier's equipment is used for the transportation of a single shipment moving under rates in this item, each such vehicle or combination of vehicles shall be subject to the minimum weight named herein.</p> <p>NOTE 6.--The provisions of this item will not apply in connection with shipments transported in multiple lots.</p> <p>NOTE 7.--Accessorial charges applying in connection with services performed at destination after tender of freight for delivery shall be for the account of the consignee and consignee must guarantee payment of such charges, in writing, prior to commencement of such services.</p> <p>NOTE 8.--Applies only in connection with straight shipments of commodities named in this item. (See Exception.)</p> <p>EXCEPTION.--May include not more than 100 pounds of related articles viz.: Rollers (8490), Seed (173740) and Fertilizer Compounds (68140).</p> <p>NOTE 9.--Not more than 5 component parts shall be permitted in connection with shipments moving in split pickup or split delivery service.</p> <p>NOTE 10.--The free weight of pallets containing commodities moving under provisions of this item is limited to 5% of the weight on which transportation charges are computed.</p> | 35.4 | *0 860 |
| * Addition) o Reduction) Decision No. | | 79888 |
| | | EFFECTIVE |
| Correction | | ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA. |