

Decision No. 80786

ORIGINAL

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 common carriers and highway
carriers relating to the transporta-
tion of property in San Diego County
(transportation for which rates are
provided in Minimum Rate Tariff
No. 9-B).

Case No. 5439
Petition for Modification
No. 150

(Filed August 13, 1971;
amended September 1, 1971,
October 12, 1971, and
April 20, 1972)

Richard W. Smith, Attorney at Law,
A. D. Poe, Attorney at Law, and
H. F. Kollmyer, for California
Trucking Association, petitioner.
Rodney Starkey, for Pacific
Messenger Service, respondent.
Ronald I. Hollis, E. Carmody,
Robert E. Walker and Norman Haley,
for the Commission staff.

O P I N I O N

Decision No. 79907, dated April 24, 1972, on this peti-
tion ordered increases (with certain exceptions) of about 4 to
7 percent in the rates in Minimum Rate Tariff 9-B (MRT 9-B),
rates which apply as minimum for the transportation of general
commodities by for-hire highway carriers within the San Diego
Drayage Area, a defined area in and about the City of San Diego.
Said rate increases were ordered in response to showings by
petitioner, the California Trucking Association (CTA), during
four days of public hearings that the carriers in the San Diego
area were committed to the payment of increases in their labor

costs, commencing with January 1, 1972, and that increases in the rates were necessary to compensate for the increased costs. The increased rates were prescribed as interim adjustments pending further hearings on requests of petitioner for additional increases in the rates to compensate for other increases in operating costs which the carriers have experienced or will experience in the near future.

The further hearings were held before Examiner C. S. Abernathy at San Diego on May 24, 25 and 26, 1972, and at Los Angeles on June 27, 28 and 29, 1972. Evidence in support of petitioner's request for further rate increases was presented through petitioner's assistant director of research. Members of the Commission's staff participated in the development of the record.

The rates in MRT 9-B which were in effect prior to the interim adjustments ordered by Decision No. 79907 were established by Decision No. 78664, dated May 11, 1971, in Case No. 5439, effective July 1, 1971.

At the further hearings in May and June, 1972, petitioner submitted evidence through its assistant director of research to show that as of July 1, 1972, the hourly labor costs of carriers operating in the San Diego area for drivers, helpers and freight handlers would be from 15.43 to 15.99 percent more than the corresponding weighted hourly costs of the carriers for the year 1971; that the carriers have experienced certain other expense increases; that as applied to the various services which the carriers perform the cost or expense increases have increased the carriers' total costs of service by amounts ranging from about 11 to 16 percent, and that rate increases of like amounts over the rates established by Decision No. 78664 are necessary to compensate for the increased costs.

During the course of the further hearings in May, 1972, it became apparent that petitioner, in the development of its projections of increased costs, had utilized datum plane cost figures different from those upon which the interim increased rates prescribed by Decision No. 79907 rest. Also, petitioner provided insufficient detail to explain adequately the steps by which its datum plane data had been adjusted to give effect to the increases in carrier operating costs that allegedly require increases in the rates in MRT 9-B.^{1/}

In the circumstances the Examiner raised a question as to whether the sought rate increases properly could be prescribed on the basis of petitioner's showing. Petitioner thereupon requested that the Examiner direct the Commission's staff to prepare and present information which clearly shows the current cost basis of, and the datum plane for, adjustment of the rates and charges in MRT 9-B. The request was denied.

^{1/} Petitioner's witness responded to questions of the Examiner and of the Commission's staff representatives concerning the datum plane adjustments. However, he refused to supply data in written form which would permit a meaningful evaluation of the propriety of the extensive and complex calculations which he had made in arriving at the adjustments.

On June 5, 1972, petitioner filed a written motion reiterating its request for cost and datum plane data. More specifically, it asked that the Commission direct its staff to

- "1. Prepare information which clearly sets forth the cost basis of and the datum plane for the current rates in MRT 9-B;
2. Prepare cost and rate evidence which shows increases in datum plane costs and appropriate adjustments in the rates and charges of MRT 9-B to reflect such increases; and,
3. Prepare such material timely for presentation and introduction into the record of this proceeding at the next scheduled hearing date of June 27, 1972."

As grounds for its motion petitioner alleged that in its presentation it had attempted in good faith to provide the data which the Commission has in the past determined to be necessary to justify relief of the type sought in this matter; that it cannot supply specific information concerning the datum plane upon which the increased rates prescribed by Decision No. 78664 were projected because such information is not in its possession; that the Commission's staff be directed to prepare and submit such information "since that is the only reasonable way that the information ... can be provided in this record."

On June 19, 1972, the Commission's staff filed a written reply to petitioner's motion. In its reply the staff disputes petitioner's claim that datum plane data is unavailable upon which petitioner may properly seek upwards adjustments in rates. The staff asserts that such data is indicated in Decision No. 78664, and it further asserts that petitioner's claimed inability to provide such data stems from petitioner's unwillingness to accept the datum plane level of costs which was adopted in Decision No. 78664.

Because of the short time remaining between the time of filing of the staff's reply to petitioner's motion and the next scheduled hearing date in this matter, June 27, 1972, no action was taken on the motion. The issues involved were left open for further consideration at the hearings which were held on June 27, 28 and 29, 1972. ✓

At the close of those hearings petitioner submitted extensive argument as to why its showing should be accepted and rate increases as sought be prescribed. In general, petitioner asserted that its showing is identical to that which petitioner has presented repeatedly heretofore in similar proceedings; that it is proposing the same kind of rate adjustments as it has previously proposed in similar circumstances; that it is offering no less evidence in this matter, and that, in fact, it has submitted exactly the same type of evidence as the Commission has accepted previously for adjustment of the rates in MRT 9-B.

In other respects petitioner's argument was directed mainly to questions raised by the Examiner and/or the Commission's staff representatives concerning the propriety of (a) the datum plane which petitioner used as a basis for its showing, (b) adjustment of the rates by the "wage-cost" method instead of by the "wage-offset" method, and (c) the amount claimed for billing and collection expense.^{2/}

Regarding that portion of its showing concerning datum plane, petitioner reiterated its earlier statements to the effect that it had attempted to establish the same kind of datum plane that the Commission had adopted previously, but that because of a departure by the Commission from historically used datum plane data in dealing with a previous matter in this general proceeding (Petition No. 125, decided by Decision No. 78664 dated May 11, 1971), petitioner cannot supply information regarding the datum plane on which the rates prescribed by Decision No. 78664 were projected.

Regarding adjustment of the rates by the "wage-cost" method, petitioner asserted that evidence which it has presented in this matter clearly shows that the indirect costs of carriers in the San Diego area are substantially in excess of the provision for those costs in the minimum rates, and that the use of the "wage-cost" method is therefore proper.

^{2/} The "wage-cost" method assumes that as carriers experience increases in their direct labor costs, their indirect costs will increase proportionately. The "wage-offset" method assumes that as carriers experience increases in their direct labor costs, only the labor portion (about one-half, in this instance) of their indirect costs will be affected and will increase proportionately.

As to the amount to be utilized for billing and collection expense, petitioner asserted that the charges of Transport Clearings are the proper measure of such expense and has been so recognized by the Commission.

Petitioner asserted that the Commission should not be penalized by failure of its staff to establish a record in this matter, and that the Commission should reopen this proceeding for further evidence should it conclude that granting of the petition is not warranted on the record thus far developed. Petitioner asked that in this event the Commission prescribe interim increases of nine percent in all of the rates and charges in MRT 9-B until further decision can be made in this proceeding.

In a statement of position, a representative of the Commission's staff opposed the increases in the rates in MRT 9-B which petitioner seeks. He stated that such increases are inconsistent with policies of the Federal Price Commission to hold price increases to $2\frac{1}{2}$ percent a year. He pointed out that increases averaging $5\frac{1}{2}$ percent have been made in the rates already this year pursuant to Decision No. 79907.

Responding to this statement, petitioner stated that the cost increases for which increases in rates were prescribed by Decision No. 79907 were incurred in the initial control year under price regulation whereas the cost increases which are now under consideration were incurred in the following control year. Petitioner asserted that because of this difference in the control years the sought increases in rates can be effected without contravention of the Federal Price Board's regulations.^{3/}

^{3/} An excerpt from the Federal Register defining the first and succeeding control years was submitted by petitioner as Exhibit No. 150-12.

Discussion

Inasmuch as the most recent increases in the rates in MRT 9-B were effected to reflect the wage costs of the carriers in the San Diego area as of January 1, 1972, the rates obviously contain no provision for the further wage and wage-related cost increases which the record shows became applicable as of July 1, 1972. Increases in the rates should be made to compensate for these further wage and wage-related cost increases.

To the extent, however, that petitioner is seeking increases in the rates on the basis of certain increases in indirect costs (wage-cost method) and in billing and collection costs (Transport Clearings) and also on the basis of an allowance for profit on the increased costs, the sought rate increases should be denied. Our reasons for this conclusion are set forth hereinbelow.

Indirect Costs, Wage-Cost Method

The evidence upon which petitioner mainly relies to support the amount that it claims should be allowed for indirect expense consists of an exhibit purporting to set forth the results of a survey which petitioner's assistant director of research had made of the indirect expenses of six carriers who earn a substantial portion of their revenues under rates in MRT 9-B. According to this exhibit, the average ratio of the indirect to direct expenses of these carriers for the year 1971 was 47.68 percent as compared to the ratio of 24 percent which is used in the development of the rates in MRT 9-B. In view of the amount by which the indirect expense ratio of the six carriers exceeds that for which provision is included in the rates in MRT 9-B, petitioner asserts that it is appropriate to use the full 24 percent (as would be done under the "wage-cost" method) in calculating the amount of the increases in rates to be made in this matter.

The minimum rates in MRT 9-B as well as in other minimum rate tariffs of the Commission are based on the lowest costs of transportation services performed in reasonably efficient circumstances.^{4/} Accordingly, where certain facts or conclusions are sought to be established by comparisons of the minimum rates or components thereof with selected operating data of carriers, it is evident that if valid conclusions are to be drawn from the comparisons the selected operating data should be shown to be an appropriate standard for evaluating the rates.

In undertaking to compare the indirect expense ratio of the rates in MRT 9-B with the indirect expense ratio for 1971 of six carriers operating in the San Diego area, petitioner appears to have developed the indirect expense ratio of the carriers mainly, if not entirely, on the basis of a simple compilation of the recorded indirect expenses of the carriers without regard to whether those expenses represent the lowest costs incurred in reasonably efficient circumstances. In the absence of such information, we must conclude that the indirect expense data which petitioner presented cannot in any way be considered to be a valid measure of what constitutes an appropriate level of indirect expenses for minimum rate-making purposes. For this reason we reject petitioner's argument that its showing of the indirect expense ratio of the six carriers establishes the propriety of using the "wage-cost" method for calculating the amount of indirect expenses for which provision should be included in the rates in MRT 9-B.

^{4/} An extensive discussion of the Commission's rate-making procedures is set forth in Decision No. 46912, 51 Cal. P.U.C. 586 (1952) In re Rates of Property Transportation Carriers. That decision was reviewed by the Supreme Court of the State of California in California Manufacturers Assn. vs. Public Utilities Commission, 42 Cal 2d 530 (1954).

Other reasons also compel rejection of the wage-cost method as a method of cost development for this matter. As we have hereinbefore stated, the wage-cost method assumes that as the direct labor costs of carriers increase the indirect costs increase proportionately. The indirect costs in question may include various items of labor expense that are so closely related to the direct labor costs of the carriers that as increases occur in the direct labor costs proportionate and concurrent increases occur in the indirect labor expense items. However, the indirect expenses also include such other items as taxes, rent, office supplies, light, water and telephone -- expenses which are not closely related to the direct labor costs. Petitioner's assertions that these costs increase as direct labor costs increase prompt the inquiry "If such is a fact, when will the increases in said costs occur?" On this question petitioner could not give a definitive response.

In a proceeding of this kind we are concerned with including those increases in the minimum rates which will give due consideration to the increases in transportation costs which are known and definite, which have occurred or which will occur within a reasonable period in the future (in general, within the coming or so-called rate year) and which are not included in the current rates. Even though the costs in question may eventually increase as predicted, the extent that the cost increases should be reflected in the minimum rates for the ensuing or rate year cannot be determined in the absence of information as to when the cost increases will become applicable. We have repeatedly held heretofore that increases in rates will not be projected on speculative increases in costs. The same holding applies in this instance.

Moreover, we are mindful of regulations of the Federal Price Commission which are reflected in Rule 23.1 of our Rules of Practice and Procedure and which proscribe rate increases based on future inflationary expectations. We are of the opinion that the increases in such indirect expenses as taxes, rent, office supplies, light, water and telephone for which petitioner is seeking compensating increases in the rates in MRT 9-B must be deemed on this record as increases which reflect future inflationary expectations. To the extent that the sought increases in rates are based on such increases in costs, the increases should be denied.

Billing and Collection Costs (Transport Clearings)

The rate increases which petitioner seeks are developed partly on increases which have been experienced in Transport Clearings' costs. With some exceptions the rates in MRT 9-B have been predicated in part heretofore upon costs which, insofar as the billing and collection costs of carriers in the San Diego area are concerned, have been measured by the costs of Transport Clearings. We are now of the opinion, however, that further increases in the rates in MRT 9-B should not be projected on increases in Transport Clearings' costs.

It is evident from this record that the level of the billing and collection services of Transport Clearings is quite different from that needed to meet the requirements of MRT 9-B. The services of Transport Clearings are geared to a credit period of seven days for the collection of freight charges. MRT 9-B specifies that carriers shall collect their freight charges by the tenth day of the calendar month following the delivery of the freight. Compliance with the requirements of

the shorter credit period under which Transport Clearings operates obviously necessitates more billing and collection activity than that which is needed to meet the requirements of MRT 9-B. In the circumstances the billing and collection expense of Transport Clearings should not be deemed as representative of that incurred in effecting billings and collections in accordance with the provisions of MRT 9-B.

Another consideration is that the billing and collection requirements of MRT 9-B are limited in their application territorially to the San Diego Drayage Area which, in general, consists of that area lying within a radius of about 15 to 20 miles from the San Diego central business district. In contrast, Transport Clearings (Los Angeles) serves all of southern California. It would seem that the lesser size of the San Diego Drayage Area would permit economies in billing and collection expense which would not be correspondingly available to Transport Clearings. For example, billing and collection problems which may be disposed of by telephone would entail lesser average telephone expense per call in the smaller area than in the larger southern California area. In this respect also the billing and collection costs of Transport Clearings do not appear representative of those incurred in meeting the requirements of MRT 9-B.

Insofar as carrier usage of Transport Clearings' services is concerned, petitioner's witness knew of only one carrier in the San Diego Drayage Area using the services. This lack of usage, together with the other considerations set forth above, compels the conclusions that the carriers in the San Diego Drayage Area do not find it to their advantage economically to employ Transport Clearings, that Transport Clearings is not the lowest cost means

available to the carriers in the San Diego area to accomplish their billings and collections, and that the costs of Transport Clearings are therefore not a proper basis for further increases in the rates in MRT 9-B.

Provision for Profit on Cost Increases

The rate increases which petitioner seeks would include a provision for profit on the cost increases which are the basis for the sought rate increases. In other words the increases in carrier revenues which petitioner seeks to achieve through the sought rates would exceed the increases in costs and thereby would result in an increase in return upon the carriers' invested capital. ✓

In conformity with regulations of the Federal Price Commission, increases in rates should be limited to those which are based on costs and which do not produce an increase in return on invested capital, unless different action is clearly justified. The record in this matter does not warrant the granting of rate increases above those which are based on costs. To the extent that the sought increases would result in an increase in return on carriers' capital, the sought increases should be denied.

The increases in rates in MRT 9-B which petitioner seeks upon the grounds of alleged increases in certain indirect costs, in Transport Clearings' costs, and for profit on the cost increases are not justified. Petitioner's data should be adjusted to exclude those cost increases before the data can be accepted as the basis for increases in the MRT 9-B rates. However, in view of petitioners' refusal to support its

presentation with sufficient detail to show the effect given therein to the aforesaid cost increases, the indicated adjustments cannot be made.^{5/} In the circumstances, petitioner's showing must be rejected. Also, petitioner's motion for a directive to the Commission's staff to prepare and submit evidence in this matter should be denied.

Although the increases in rates which petitioner seeks on the basis of the alleged increases in indirect costs and Transport Clearings' costs, and also for profit on the cost increases (including those for labor), have not been shown to be justified, increases in rates to compensate for the increases in labor costs which became applicable as of July 1, 1972, are justified. Such increases would range from about 6.4 to 6.9 percent in the rates for shipments in the Any Quantity weight bracket to about 4.0 to 5.2 percent in the rates for shipments weighing 30,000 pounds or more.^{6/} In overall effect they would average about 5½ percent. This distribution of increases is designed to

^{5/} Petitioner undertook to justify its refusal to supply the supporting detail requested by arguing that its showing in this instance is no less than that which has been accepted in other minimum rate increase proceedings. However, a prior acceptance of an abbreviated or summary presentation does not forever lessen the burden of proof which a petitioner must meet if its proposals are to be adopted. If circumstances in a subsequent proceeding require a fuller presentation, petitioner may not reasonably refuse to supply evidence to that end and expect nevertheless a finding that its proposals are justified.

^{6/} These increases in rates will not apply to the C.O.D. fees and parcel rates which are set forth in MRT 9-3. Petitioner excepted such fees and rates from its proposals. Also, the increases will not apply to vehicle charges which were not affected by the increases in labor costs.

give about the same proportionate effect to the labor cost factors applicable to the transportation of shipments in the various weight brackets as is reflected in the present rates. The increases which would be made specifically in the various rates and charges in MRT 9-B are set forth in Appendix B hereof.

Petitioner's rate increase proposals in this matter include requests that common carriers be authorized and directed to establish in their respective tariffs all such increases in rates and charges as may be prescribed herein; that all common carriers be authorized (a) to maintain in their respective tariffs provisions presently maintained which are more restrictive, or which produce charges greater than those contained in Minimum Rate Tariff No. 9-B; (b) to establish such increases in their class and commodity rates and charges in connection with the transportation of commodities which are exempted from the provisions of MRT 9-B,^{7/} and in connection with all transportation for which such carriers maintain rates and charges based upon Minimum Rate Tariff No. 9-B; and (c) to depart from the provisions of Article XII, Section 21, of the Constitution of the State of California, and Section 460 of the Public Utilities Code to the extent necessary to carry into effect such increases.

The increases which are hereinafter prescribed in the rates in MRT 9-B will apply to highway permit carriers who are subject to said tariff. They will apply also to various common carriers subject to Part I of the Public Utilities Code to the extent that such carriers are subject to the provisions of MRT 9-B.

^{7/} Commodities which are exempt from the rates in MRT 9-B are listed in Items Nos. 50 and 51 of the tariff.

Those common carriers will be authorized and directed to make corresponding increases in their tariff rates. However, such authorization may not be utilized by those common carriers to maintain differentials which result in rates and charges which are higher, in volume or effect, than the rates and charges in MRT 9-B.

The evidence which was submitted in this matter relates only to the rates and charges in MRT 9-B. Petitioner did not present evidence to support its requests for increases in common carrier rates and charges which exceed, or exceed in effect, the rates and charges in the minimum rate tariff. Hence, there is no evidentiary basis to justify increases in rates and charges which are higher than the rates and charges which apply as minimum. Petitioner also did not submit evidence relative to the costs which the carriers incur in the transportation of the exempt commodities or to the level and form of the rates which the carriers assess for said transportation. Nevertheless, where the exempt commodities are being transported by the carriers under the minimum class or hourly rates, it appears that, as increases are made in the minimum rates, corresponding increases should be made in the rates for the exempt commodities in order to avoid rate discrimination of the type prohibited by Article XII, Section 21 of the State Constitution and by Section 453 of the Public Utilities Code. To this extent increases in the rates for the exempt commodities should be authorized.

The increases in the rates and charges in MRT 9-B which are hereinafter specified may result in the applicability of higher rates and charges within the San Diego Drayage Area than those which are concurrently applicable under other minimum rate tariffs of the Commission for like transportation between points within

the drayage area, on the one hand, and points outside the drayage area, on the other hand. In order that common carriers may not be charged with violations of the long- and short-haul prohibitions of Article XII, Section 21 of the State Constitution and of Section 460 of the Public Utilities Code in carrying out minimum rate orders of the Commission, departures from the long- and short-haul prohibitions should be authorized.

Findings

The Commission finds that:

1. For-hire highway carriers who are engaged in transportation services subject to the provisions of MRT 9-B have experienced increases in their operating costs as of July 1, 1972.

2. The present rates in MRT 9-B are unreasonably low and insufficient in relation to the carriers' costs of service as increased on July 1, 1972.

3. Increases to the extent specified in the attached Appendix B in the rates in MRT 9-B (the increases average about 5½ percent).

- a. Are cost justified and not reflective of future inflationary expectations;
- b. Are not more than those sufficient to return to the carriers increases in operating costs which the carriers have experienced and which are not reflected in the present minimum rates;
- c. Will not result in an increase in the level of earnings which this Commission has heretofore determined to be the minimum level of earnings required to maintain adequate and safe transportation for the public by the carriers involved;

- d. Will not increase the carriers' over-all rate of return on capital over that earned in 1970;
- e. Do not reflect labor costs in excess of those allowed by policies of the Federal Price Commission.

4. The evidence does not show that there are carriers available who are willing and capable of providing service at the existing rates.

5. The rate increases which are specified in paragraph 3 above are required to assure continued, adequate and safe service by carriers subject to the provisions of MRT 9-B.

6. The dollar amount of increased revenues which the increased rates are expected to produce over a year's period is \$132,000.

7. Increases as specified in Appendix B in the rates in MRT 9-B will result in the rate increases found justified in paragraph 3 above, and will also result in the rates and charges prescribed by the following order.

8. The increased minimum rates and charges which are prescribed in the following order have been shown to be justified.

9. The increased minimum rates and charges which are hereinafter prescribed are, and will be, just, reasonable and non-discriminatory minimum rates and charges for the transportation and related services to which they will apply.

10. To the extent that the provisions of MRT 9-B have been found heretofore to constitute reasonable minimum rates, rules and regulations for common carriers as defined in the Public Utilities Act, those provisions, as hereinafter adjusted, are, and will be, reasonable minimum rate provisions for those common carriers. To the extent the existing rates and charges of those common carriers for the transportation involved are less in volume or effect than the minimum rates and charges herein designated as reasonable, for those carriers, such rates and charges are hereby found to be, now and for the future, unreasonable, insufficient and not justified by the actual competitive rates of competing carriers or by the costs of other means of transportation.

11. Increases in the class and hourly rates and in the minimum charges and accessorial charges of common carriers for the transportation of exempt commodities are justified to the extent that increases in rates and charges for those commodities are authorized by the following order.

Conclusions

The Commission concludes that:

1. The rates and charges in MRT 9-B should be increased as hereinafter provided in order that the rates and charges may be just, reasonable and nondiscriminatory minimum rates and charges for the transportation and related services to which they apply.

2. Common carriers should be authorized to increase their rates for the transportation of exempt commodities to the extent hereinafter provided.

3. Common carriers should be authorized to depart from the long- and short-haul prohibitions of Article XII, Section 21 of the State Constitution and of Section 460 of the Public Utilities Code to the extent hereinafter provided.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 9-B (Appendix A of Decision No. 67766, as amended) is further amended by incorporating therein, to become effective December 23, 1972, the revised pages attached hereto and listed in Appendix A also attached hereto, which appendix and pages by this reference are made a part hereof.
2. Common carriers subject to the Public Utilities Act, to the extent that they are subject also to Decision No. 67766, as amended, are directed to establish in their tariffs the rate increases necessary to conform to the further increases herein in the rates and charges established by that decision.
3. Except as is otherwise provided in paragraph 4 below, the increased class and hourly rates and the increased minimum charges and accessorial charges which, in effect, are established pursuant to ordering paragraph 2 hereof are authorized as rates and charges to be assessed by common carriers subject to Decision No. 67766, as amended (except common carriers by railroad with respect to their carload rates and charges and common carriers by vessel), for the transportation of the commodities listed in Items Nos. 50 and 51 of Minimum Rate Tariff 9-B provided that (a) the transportation is performed

between origins and destinations which are both located within the San Diego Drayage Area (as described in Minimum Rate Tariff 9-B), and (b) that the transportation is now subject to class rates in the tariffs of those common carriers.

4. The authority which is granted by ordering paragraph 3 hereof does not apply:

- (a) To transportation for which minimum rates apply in accordance with the provisions of other minimum rate tariffs of the Commission; and
- (b) To transportation which is being performed by dump or tank vehicles.

5. Tariff publications required or 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 December 23, 1972, on not less than five days' notice to the Commission and to the public; such tariff publications as are required shall be made effective not later than December 23, 1972. As to tariff publications which are authorized but not required, the authority herein granted shall expire unless exercised within sixty days after the effective date hereof.

6. Common carriers and other transportation companies, in establishing and maintaining the increased rates and charges provided by this order, are authorized to depart from the provisions of Article XII, Section 21, of the Constitution of the State of California, and Section 460 of the Public Utilities Code, to the extent necessary to assess the increased rates and charges prescribed or authorized herein. Common carriers, in publishing rates under the authority conferred in this ordering paragraph, shall make reference to this order and to prior orders authorizing long- and short-haul departures.

7. In all other respects said Decision No. 67766, as amended, shall remain in full force and effect.

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

Dated at _____, California,
this _____ day of _____, 1972.

Vernon L. Sturgeon
President
William J. Spence

Thomas Moran
Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

I dissent
J. Phillips Jr., Commissioner

APPENDIX A

LIST OF REVISED PAGES TO MINIMUM RATE TARIFF 9-B

EIGHTH REVISED PAGE 20

NINTH REVISED PAGE 21

TENTH REVISED PAGE 22

THIRD REVISED PAGE 22-A

TENTH REVISED PAGE 29

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TWELFTH REVISED PAGE 44

FIFTH REVISED PAGE 44-A

THIRTEENTH REVISED PAGE 47

TWELFTH REVISED PAGE 49

(END OF APPENDIX A LIST)

SECTION 1--RULES (Continued)	ITEM
<p style="text-align: center;">ALTERNATIVE APPLICATION OF COMMON CARRIER RATES</p> <p>Common carrier rates (including common carrier railroad switching rates) may be applied in lieu of the rates provided in this tariff when such common carrier rates produce a lower aggregate charge for the same transportation between the same points of origin and destination and for the same accessorial services than results from the application of the rates herein provided. (See Notes 1, 2, 3 and 4)</p> <p>When the common carrier rate used does not include accessorial services performed by the carrier, the following charges for such accessorial services shall be added: (See Notes 1, 2, 3 and 4)</p> <ul style="list-style-type: none"> (a) For loading onto carrier's equipment, the charges provided in paragraph (d). (b) For unloading from carrier's equipment, the charges provided in paragraph (d). (c) For other accessorial services for which charges are provided in this tariff, the additional charge or charges so provided. ◊ (d) 8½ cents per 100 pounds. <p>NOTE 1.--When a rail carload rate is subject to varying minimum weights, dependent upon the size of the car ordered or used, the lowest minimum weight obtainable under such minimum weight provisions may be used in applying the basis provided in this item. When the rail carload rate is subject to a specified minimum weight, subject to the condition that if the car is loaded to full visible or weight carrying capacity, actual weight will apply, or to actual weight but not less than a lesser carload minimum weight, the actual weight will apply subject to the lesser carload minimum weight, if any.</p> <p>NOTE 2.--When rail switching charges are applicable in connection with line-haul movements by rail and the gross weight of the shipment exceeds the applicable carload minimum weight, only one rail switching charge shall be assessed.</p> <p>NOTE 3.--In applying the provisions of this item, a rate no lower than the common carrier rate and a weight no lower than the actual weight or published minimum weight (whichever is the higher) applicable in connection with the common carrier rate shall be used.</p> <p>NOTE 4.--For the purpose of applying the provisions of this item, the definitions of Point of Destination and Point of Origin set forth in Item 11 will be applicable.</p>	§110
<div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div> Change) Increase) </div> <div> Decision No. 80786 </div> </div>	
EFFECTIVE	
<div style="display: flex; justify-content: space-between;"> <div>Correction</div> <div>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</div> </div>	

SECTION 1--RULES (Continued)		ITEM																		
<p style="text-align: center;">ACCESSORIAL SERVICE</p> <p>When carrier performs any accessorial or incidental service which is not authorized to be performed under rates named in this tariff, and for which a charge is not otherwise provided, additional charges shall be assessed as provided in Item 140. The charge therein provided for unit of equipment shall apply whenever the accessorial or incidental service requires its use, or whenever the unit of equipment is inactivated by reason of its driver or helper being engaged in such service.</p>		120																		
<p style="text-align: center;">DELAYS TO EQUIPMENT</p> <p>When consignor or consignee is responsible for delay to carrier's equipment at or in vicinity of either point of loading or point of unloading in excess of 30 minutes (exclusive of time actually involved in loading or unloading), additional charges for delay time in excess of 30 minutes shall be assessed as provided in Item 140.</p>		130																		
<p style="text-align: center;">CHARGES FOR ACCESSORIAL SERVICES OR DELAYS</p> <p>For accessorial services or delays under the conditions specified in Items 120 and 130, charges shall be assessed for each period or fraction thereof, as follows:</p> <table> <tr> <td></td><th colspan="2"><u>Charges in Cents</u></th></tr> <tr> <td></td><th><u>For First</u></th><th><u>For Each</u></th></tr> <tr> <td></td><th><u>30 Minutes</u></th><th><u>Additional</u></th></tr> <tr> <td></td><td></td><th><u>15 Minutes</u></th></tr> <tr> <td>(a) For driver, helper or other employee, per man</td><td>0530</td><td>0265</td></tr> <tr> <td>(b) For unit of equipment-----</td><td>30</td><td>15</td></tr> </table>			<u>Charges in Cents</u>			<u>For First</u>	<u>For Each</u>		<u>30 Minutes</u>	<u>Additional</u>			<u>15 Minutes</u>	(a) For driver, helper or other employee, per man	0530	0265	(b) For unit of equipment-----	30	15	140
	<u>Charges in Cents</u>																			
	<u>For First</u>	<u>For Each</u>																		
	<u>30 Minutes</u>	<u>Additional</u>																		
		<u>15 Minutes</u>																		
(a) For driver, helper or other employee, per man	0530	0265																		
(b) For unit of equipment-----	30	15																		
<p>Change) Increase) Decision No. 80786</p>																				
<p style="text-align: right;">EFFECTIVE</p>																				
Correction	<p style="text-align: right;">ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA</p>																			

SECTION 1--RULES (Continued)

ITEM

CHARGES FOR ESCORT SERVICE

In addition to all other applicable rates and charges named in this tariff, the following charges shall be assessed on shipments requiring escort service:

- (a) A charge of \$11.73 per hour, plus 9 cents per actual mile, shall be made for each escort vehicle and driver furnished, for the time and distance said vehicle and driver are engaged in such service. (See Notes 1 and 2)
- (b) A charge shall be made equal to the actual cost of any bridge or ferry tolls incurred for each escort car.

NOTE 1.--Service shall commence with departure of each escort vehicle from its point of dispatch and terminate with the return of each escort car to its point of dispatch, excluding off-duty hours.

NOTE 2.--Charges for fractions of an hour shall be determined in accordance with the following table:

MINUTES		
Over	But Not Over	
0	8	omit
8	23	shall be 1 hour
23	38	shall be 1 hour
38	53	shall be 1 hour
53	60	shall be 1 hour

§14

CHARGES FOR PERMIT SHIPMENTS

In addition to all other applicable rates and charges named in this tariff, the following charges shall be assessed on shipments requiring transportation permits:

- (a) A charge of \$13.33 shall be made for the service of securing each permit, and
- (b) A charge shall be made equal to the fee, if any, assessed by the governmental agency for issuing each permit.

§160

Change)
Increase) Decision No.

80786

EFFECTIVE

Correction

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

SECTION 1—RULES (Continued)	ITEM
<p style="text-align: center;">DANGEROUS ARTICLES</p> <p>Dangerous Articles include those articles described in and subject to the provisions of the Dangerous Articles Tariff.</p> <p>Dangerous articles must not be accepted for transportation unless at the time of or prior to the initial pickup the consignor has furnished to the carrier written information as required under the regulations of the Dangerous Articles Tariff.</p> <p>To the extent hereinafter provided, the following provisions of this tariff will not apply to shipments of dangerous articles:</p> <ol style="list-style-type: none"> 1. Item 220 (Mixed Shipments) will not apply to shipments containing one or more commodities which the Dangerous Articles Tariff prohibits being transported at the same time on a single unit of carrier's equipment. 2. Items 180-182 (C.O.D. Shipments) and 300 (Split Delivery) will not apply to shipments, including any component parts thereof, containing explosives (Class A, B or C) and/or any other dangerous articles which may not be left unattended in the carrier's equipment under the regulations of the Dangerous Articles Tariff. 	165
<p style="text-align: center;">FAILURE TO ACCOMPLISH DELIVERY (Applies only in connection with Item 165)</p> <p>Except as otherwise provided in the Dangerous Articles Tariff, if the carrier, through no fault of its own, is unable to effect delivery of any shipment within 48 hours, excluding Saturdays, Sundays and holidays, after receipt of the shipment, notice will be sent or given to consignor or consignee that the shipment is being placed in storage. Thereafter the shipment will be stored at carrier's terminal subject to the rates and charges set forth below, or at carrier's option may be placed in public warehouse.</p> <p>For each of the first five days, 5½ cents per 100 pounds. For the sixth and each succeeding day, 8 cents per 100 pounds.</p> <p>Minimum storage charge per shipment on freight held beyond 48 hours, 5 days or less, 77 cents; 6 days or more, \$1.18. In computing time, any fractional part of 24 hours will be counted as one day. In computing charges, any fractional part of 100 pounds will be computed as 100 pounds.</p> <p>Shipments unloaded from vehicle and reloaded on vehicle will be subject to a charge of \$3.68 per ton in addition to all other charges.</p> <p>Subsequent delivery from point of storage will be charged as a new shipment.</p>	6167
<p>Change) Increase) Decision No. 80786</p>	
EFFECTIVE	
<p>Correction</p> <p style="text-align: right;">ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p>	

SECTION 1--RULES (Continued)

ITEM

MINIMUM CHARGE

Except as otherwise provided, the minimum charge per shipment shall be as follows: (See Note)

Weight of Shipment (In Pounds)

Over But
 Not Over

Charge (In Cents)

0	25	336
25	50	384
50	75	427
75	100	464
100	150	501
150	200	538
200	250	576
250	300	608
300	400	656
400	500	709
500	600	784
600	700	869
700	800	911
800	900	1007
900	---	1098

♦210

NOTE.--Will not apply on shipments made under the provisions of Item 420.

♦ Increase, Decision No.

80786

EFFECTIVE

Correction

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

SECTION 1--RULES (Continued)

ITEM

POOL LOT

- (a) For the service of segregating, or unloading and segregating, a pool lot, the following shall be assessed for each shipment destined to points in the San Diego Drayage Area, in addition to transportation rates:

Merchandise classified as:

Class:	100	92½	85	77½	70	65	60	55	50
o Rates in cents per 100 pounds:	48	46	43	41	38	36	35	34	32

- (b) Classification ratings shall be based upon the LTL (less-truckload) ratings in the Governing Classification, Sections 2-A or 2-C of the Exception Ratings Tariff, or this tariff.
- (c) Articles taking a rating higher than Class 100 shall be computed upon the percentage of the Class 100 rating, as set forth in the Governing Classification, Sections 2-A or 2-C of the Exception Ratings Tariff, or this tariff, except that shipments consisting of articles rated higher than Class 150 in the Governing Classification, Sections 2-A or 2-C of the Exception Ratings Tariff, or this tariff shall be subject to the rates applicable for Class 150.
- (d) No additional charge shall be made under this item on shipments for which transportation charges are based on a minimum weight of 20,000 pounds when the carrier performing the distribution service receives a transportation charge on such shipment from the distribution point.
- (e) See Item 220 for mixed shipments.
- (f) When a pool lot is segregated at and delivery is made from carrier's established depot, said depot will be considered as being located within Metropolitan Zone 301 for the purpose of assessing transportation charges under this tariff, and transportation rates shall be applied from Metropolitan Zone 301 as point of origin.
- (g) Rates named in this item alternate with rates for the same services contained in tariffs filed with the Commission pursuant to the provisions of the Public Utilities Act, and in effect on the date the services are performed.

#230

Change)
Increase) Decision No.

80786

EFFECTIVE

Correction

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

SECTION 1--RULES (Continued)

ITEM

SPLIT DELIVERY

The rate for transportation of a split delivery shipment shall be the rate applicable for the rate base determined as follows:

- (a) When point of origin and all points of destination are within a single zone, apply rate for rate basis B, subject to Notes 1, 2, and 3;
- (b) When point of origin and all points of destination are within the area encompassed by two adjoining Metropolitan Zones, apply rate for rate basis C, subject to Notes 1, 2, and 3 (Metropolitan Zone 305 does not adjoin any other zone, except Metropolitan Zone 311, for the purposes of this rule);
- (c) For all other shipments, apply rates for rate basis F, subject to Notes 1, 2, and 3.

NOTE 1.--For each split delivery shipment a single bill of lading or shipping order shall be issued. It shall describe the kind and quantity of property for the entire shipment, and bear the date such property is physically accepted by the carrier. At the time of or prior to the tender of the shipment the carrier shall be furnished with written instructions showing the name of each consignee, the point or points of destination, and a description of the kind and quantity of property in each component part of the split delivery shipment.

NOTE 2.--If shipping instructions do not conform with the requirements of Note 1 hereof, each component part of the split delivery shipment shall be rated as a separate shipment under other provisions of this tariff. When shipping instructions do conform with the requirements of Note 1 hereof, component parts of split delivery shipments shall not be treated as separate shipments.

NOTE 3.--In addition to the rate for transportation, the following additional charges shall be assessed for split delivery service:

Weight of Component Parts (Pounds)		Split Delivery Charge for Each Component Part in Cents
Over	But not Over	
0	500	240
500	1000	282
1000	2000	410
2000	4000	565
4000	10000	637
10000		750

NOTE 4.--Rates provided in this tariff do not apply to transportation of split delivery shipments unless point of origin and all points of destination are within the San Diego Drayage Area. When point of origin or one or more points of destination are located outside of the San Diego Drayage Area, rates in Minimum Rate Tariff 2 shall apply.

Change } Decision No.
Increase }

80786

EFFECTIVE

Correction

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

SECTION 2—RATE BASES AND RATES (Continued)										ITEM
CLASS RATES (In Cents per 100 Pounds)										
Rate Basis	Any Quantity									
	100	92½	85	77½	70	65	60	55	50	
A	113	107	102	96	90	87	84	79	77	
B	137	130	123	116	110	105	101	96	93	
C	152	144	137	129	122	117	112	106	103	
D	171	162	154	145	137	132	127	120	116	
E	182	173	164	155	146	140	135	127	124	
F	198	188	178	168	158	152	147	139	135	
Rate Basis	Minimum Weight 2,000 Pounds									0410
	100	92½	85	77½	70	65	60	55	50	
A	94	89	85	80	75	72	70	66	64	
B	108	103	97	92	86	83	80	76	73	
C	117	111	105	99	94	90	87	82	80	
D	131	124	118	111	105	101	97	92	89	
E	144	137	130	122	115	111	107	101	98	
F	160	152	144	136	128	123	118	112	109	
Rate Basis	Minimum Weight 4,000 Pounds									
	100	92½	85	77½	70	65	60	55	50	
A	68	65	61	58	54	52	50	48	46	
B	78	74	70	66	62	60	58	55	53	
C	93	88	84	79	74	72	69	65	63	
D	103	98	93	88	82	79	76	72	70	
E	110	105	99	94	88	85	81	77	75	
F	124	118	112	105	99	95	92	87	84	
<p>◊ Increase, Decision No. 80786</p>										
EFFECTIVE										
<p>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p>										
Correction										

SECTION 2--RATE BASES AND RATES (Continued)										ITEM
CLASS RATES (In Cents per 100 Pounds)										0415
Rate Basis	Minimum Weight 10,000 Pounds									
	100	92½	85	77½	70	65	60	55	50	
A	48	46	43	41	38	37	36	34	33	
B	60	57	54	51	48	46	44	42	41	
C	69	66	62	59	55	53	51	48	47	
D	74	70	67	63	59	57	55	52	50	
E	88	84	79	75	70	68	65	62	60	
F	93	88	84	79	74	72	69	65	63	
Rate Basis	Minimum Weight 20,000 Pounds									
	100	92½	85	77½	70	65	60	55	50	
A	38	36	34	32	30	29½	28	26½	26	
B	45	43	41	38	36	35	33	32	31	
C	50	48	45	43	40	39	37	35	34	
D	58	55	52	49	46	45	43	41	39	
E	63	60	57	54	50	49	47	44	43	
F	70	67	63	60	56	54	52	49	48	
Rate Basis	Minimum Weight 30,000 Pounds									
	100	92½	85	77½	70	65	60	55	50	
A	34	32	31	29	27	26	25	24	23	
B	38	36	34	32	30	29½	28	26½	26	
C	42	40	38	36	34	32	31	29½	28½	
D	45	43	41	38	36	35	33	32	31	
E	50	48	45	43	40	39	37	35	34	
F	54	51	49	46	43	42	40	38	37	
♦ Increase, Decision No. 80786										
EFFECTIVE										
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA										
Correction										

SECTION 3--EQUIPMENT RATES AND RULES	ITEM
<p style="text-align: center;">RULES</p> <p>(a) Rates named in this section are subject to Items 10 and 11, Definitions of Technical Terms; Item 20, Application of Tariff; Item 30, Application of Tariff--Territorial; Items 50 and 51, Application of Tariff--Commodities; Item 150, Charges for Escort Service; Item 160, Charges for Permit Shipments; Item 165, Dangerous Articles; Item 170, Collection of Charges; Items 180, 181 and 182, Collect on Delivery (C.O.D.) Shipments; Items 200 and 201, Issuance of Shipping Documents; Item 250, References to Items and Other Tariffs; and Item 260, Units of Measurement To Be Observed. They are not subject to the other rules provided in Section 1.</p> <p>(b) Rates named in this section are subject to Items 110 and 565 of the Governing Classification. They are not subject to the other rules of the Governing Classification.</p> <p>(c) Rates named in this section apply only when the property is transported by one carrier for one shipper.</p> <p>(d) Prior to the transportation of the property, the shipper must enter into written agreement with the carrier to ship at rates no lower than those provided in this section, stating specifically the class of service desired. (See Item 510.) Except as herein provided, no single agreement shall cover shipments transported over a period in excess of 31 days. EXCEPTION: The agreement will not be necessary for transportation of overweight and/or oversize shipments for which a special permit has been issued pursuant to the provisions of Sections 35780 to 35784, inclusive, of the Vehicle Code, State of California, and attached to or identified on the shipping document.</p> <p>(e) Rates named in Item 520 are subject to an additional charge at the rate of \$69.65 per man, per hour, minimum charge one-half hour, when carrier furnishes help in addition to the driver. The time for computing the additional charge shall be not less than the actual time in minutes the helper or helpers are engaged in performing the services. The total time so computed shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the table provided in Note 1(c), Item 520.</p> <p>(f) When carrier's equipment is painted, lettered or marked, or when special equipment or accessories are furnished by the carrier, in connection with transportation which is performed subject to the rates named in Item 520, a charge not less than the cost of painting, lettering or marking or the costs applicable to the use of the special equipment or accessories shall be made.</p>	6500
<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"> Change Increase </div> <div style="font-size: 2em; margin-right: 10px;">}</div> <div> Decision No. 80786 </div> </div>	
EFFECTIVE	
Correction	ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.

SECTION 3--EQUIPMENT RATES AND RULES (Concluded)

ITEM

FREIGHT, regardless of classification, subject to Note 1:

Weight in Pounds (See Note 2)	°(1)(2) Rates in Cents Per Hour		
	Column 1	Column 2	Column 3
Less than 12,000-----	1136	1615	2084
12,000 but not over 20,000-----	1173	1626	2089
Over 20,000-----	1272	1700	2100

- (1) Minimum Charge--The charge for one hour.
 (2) Rates do not include bridge or ferry tolls. Such tolls, when incurred by the carrier, shall be added to the transportation charges.

Column 1--Rates per unit of equipment with driver, except for time equipment is operated in excess of 8 hours out of 9 consecutive hours, and except when operated on Saturdays, Sundays or holidays.

Column 2--Rates per unit of equipment with driver for time equipment is operated in excess of 8 hours out of 9 consecutive hours or on Saturdays, Sundays or the following holidays: Washington's Birthday, Memorial Day, the day after Thanksgiving or the day before Christmas.

Column 3--Rates per unit of equipment with driver for time equipment is operated on the following holidays: Independence Day, Labor Day, Thanksgiving Day, Christmas or New Year's Day.

NOTE 1--

(a) Subject to paragraph (b) below, rates in this item apply from the time the truck and driver report for service pursuant to the shipper's order to the time of completion of the last trip under such order. EXCEPTION: If the single transaction covers a period in excess of one day, time consumed in driving from last point of destination to the carrier's terminal at the close of one day's business, and from the carrier's terminal to the point of origin at the beginning of the next day's business will not be included in computing the chargeable time.

(b) In computing time for trailer shuttle service no time shall be charged for the movement of truck tractors without load or for trailers or semitrailers without power unit except when such trailers are being loaded or unloaded.

(c) In computing time under the basis outlined in paragraphs (a) and (b) hereof the various time factors shall not be less than the actual time involved in minutes. After the total time has been determined under the provisions of paragraph (a) hereof, it shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the following table:

Less than 8 minutes--omit.
 8 minutes or more but less than 23 minutes shall be $\frac{1}{4}$ hour.
 23 minutes or more but less than 38 minutes shall be $\frac{1}{2}$ hour.
 38 minutes or more but less than 53 minutes shall be $\frac{3}{4}$ hour.
 53 minutes or more shall be 1 hour.

NOTE 2.--The normal carrying capacity of each vehicle unit shall be determined by the carrier based upon that amount of property in pounds, which physically can be loaded therein and safely transported under normal conditions.

Change)
 Increase)

Decision No.

80786

EFFECTIVE

Correction

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

Appendix B

Increases in Rates and Charges, MRT 9-B

1. Increase by 6.6 percent the rates and charges in the following tariff items:

110 (d)	210
140 (a)	230
150 (hourly rate)	500 (e)
160 (a)	
167 (loading and unloading charge)	

2. Item 300, Split Delivery

<u>Weight of Component Part (pounds)</u>		<u>Percent of Increase in Applicable Charge</u>
<u>Over</u>	<u>But Not Over</u>	
0	2,000	6.6%
2,000	4,000	5.7%
4,000	10,000	5.3%
10,000		4.9%

3. Items 410, 415 - Class Rates

<u>Rate Basis</u>	<u>Percent of Increase</u>					
	<u>Minimum Weight (in pounds)</u>					
	AQ	2,000	4,000	10,000	20,000	30,000
A	6.9	6.3	6.0	5.8	5.4	5.2
B	6.8	6.0	5.6	5.4	5.0	4.9
C	6.7	5.7	5.3	4.9	4.6	4.5
D	6.5	5.5	5.1	4.7	4.4	4.2
E	6.4	5.4	5.0	4.5	4.2	4.0
F	6.4	5.4	5.0	4.5	4.2	4.0

Increase Class 100 rates by percentages shown. Calculate rates for other classes on basis of percentage relationship of said classes to Class 100. Round off final figures to nearest cent or 1/2 cent in accordance with established procedure.

4. Item 520 - Hourly Rates

<u>Weight in Pounds</u>	<u>Percent of Increase</u>	
	<u>Column 1</u>	<u>Columns 2 and 3</u>
Less than 12,000	5.7	6.6
12,000 - 20,000	5.2	6.6
Over 20,000	4.7	6.6

(End)