## Decision No. <u>81113</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application ) of National Motor Freight Traffic ) Association, Inc., Agent, for and ) on behalf of certain highway com- ) mon carriers and express corpora- ) tions, for authority to make ) various revisions in National ) Motor Freight Classification A-13. )

In the Matter of the Investigation ) into the rates, rules, regulations,) charges, allowances and practices ), of all common carriers, highway ) carriers and city carriers relat- ) ing 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, trans- ) portation for which rates are ) provided in Minimum Rate Tariff ) No. 2).

And Related Matters

Applications Nos. 53782, 53803 and 53820 (Filed January 9 and January 23 and February 2, 1973, respectively)

ORIGINAL

Case No. 5432 (Petitions for Modification Nos. 733, 736 and 738) (Filed January 9 and 23 and February 2, 1973, respectively)

) Case No. 5436 (Petitions Nos. 134, 135 and 136), Case No. 5439 (Petitions Nos. 176, 177 and 178), Case No. 5441 (Petitions Nos. 263, 264 and 265), Case No. 5603 (Petitions Nos. 119, 120 and 121), Case No. 7783 (Petitions Nos. 67, 68 and 69), Case No. 7857 (Petitions Nos. 72, 73 and 74) and Case No. 7858 (Petitions Nos. 148, 149 and 150) (Filed January 9 and 23 and February 2, 1973, respectively)

## OPINION AND ORDER

Various common carriers engaged in intrastate transportation within California participate in National Motor Freight Classification A-13, 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 Applications Nos. 53782, 53803 and 53820, National Motor Freight Traffic Association, Inc., Agent, seeks authority, on behalf of such common carriers, to publish specific revisions in the Governing Classification effective March 2, 1973, concurrently with the national effective date for such revisions.<sup>1</sup> 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.<sup>2</sup> 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 generally became effective March 2, 1973, for tariffs covering areas

<sup>1</sup>The proposed changes, which are provided in Supplements 4, 5 and 6 to the Governing Classification, are set forth in Exhibits A and the related justifications are set forth in Exhibits B, which are attached to each of the applications. Supplements 5 and 6 are mainly filed to correct errors in the Classification and in Supplement 4.

<sup>2</sup>The tariffs are Minimum Rate Tariffs 1-B (East Bay Drayage), 2 (General Commodities Statewide), 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 1.

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.

A review of applicants' proposed revisions indicates that they pertain principally to (1) clarification of existing descriptions of articles; (2) cancellation of obsolete provisions; (3) establishment of new or additional packing requirements for certain articles; and (4) correction of publishing errors and omissions.<sup>3</sup> 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.<sup>4</sup>

Copies of the applications and petitions were mailed to various chambers of commerce, shipper organizations, carrier representatives and other interested parties on or about January 9 and 22 and February 1, 1973. The application and petitions were listed on the Commission's Daily Calendars of January 10 and 24 and February 5, 1973.

By letters dated February 14, 16, 16 and 20, 1973, Norbert B. Flick, on behalf of Air-Conditioning & Refrigeration Institute and Gas Appliance Manufacturers Association, Inc.; The Singer Company, Climate Control Division; The Tappan Company, Air Conditioning Division; and Lennox Industries, Inc., respectively, objected to the adoption of the proposed classification changes on hot air, house heating furnaces and mixed truckloads of such furnaces with related articles (Items 26280-A and 26300-A of Supplement 4 to the Governing Classification).

The Transportation Division staff has reviewed the applications and petitions and recommends that, except for the

<sup>&</sup>lt;sup>3</sup>Commission staff analysis reveals that, of the proposed 339 revisions in classification items, 190 would result in increases, 57 would result in reductions and 92 would result in neither increases nor reductions. Of the 190 increases, 44 involve changes in packaging requirements, 16 involve cancellation of obsolete commodities and 130 involve changes in commodity descriptions and ratings. <sup>4</sup>See Decision No. 68324 in Case No. 5432, et al., 63 Cal.P.U.C. 728.

aforementioned classification changes on house heating furnaces and related articles and the proposed provisions of Item 300160-A of Supplement 5 to the Governing Classification pertaining to investigation and disposition of freight claims, they be granted by ex parte order.

In the circumstances, the Commission finds that:

1. The proposed classification changes on house heating furnaces and related articles in Items 26280-A and 26300-A of Supplement 4 to the Governing Classification and the freight claim provisions in Item 300160-A of Supplement 5 to said classification should not be authorized at this time.

2. Except as provided in Finding 1, the proposed classification revisions set forth in Applications Nos. 53782, 53803 and 53820 are reasonable and, to the extent that said revisions 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 1, the rates and charges resulting from the application of the aforesaid revisions 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.

Pursuant to the requirements of Rule 23.1 of the Commission's Rules of Procedure, the Commission further finds that: (1) it is impossible to determine the effect of the aforementioned classification revisions on the carriers' revenues and net earnings as the total amount of intrastate traffic handled within California under the classification ratings in question and the total revenue earned by highway carriers, individually or collectively, under

-4-

such classification ratings are not known and (2) classification changes of the type authorized herein are not cost-based having been determined on evaluations of the transportation characteristics of the involved commodities as compared with all other commodities offered for transportation.

Based on the above findings, the Commission concludes that the proposed classification changes set forth in Applications Nos. 53782, 53803 and 53820 should be authorized, and that such revisions 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-13 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. The necessary amendments to Minimum Rate Tariff 2 and Exception Ratings Tariff 1 should be made in the order which follows. Amendments to the other minimum rate tariffs should be made by separate orders to avoid duplication of tariff distribution.

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-13, is authorized to establish and publish the classification ratings and rules set forth in Applications Nos. 53782, 53803 and 53820, except the provisions of Items 26230-A and 26300-A of Supplement 4 in Application No. 53782 and Item 300160-A of Supplement 5 in Application No. 53803, to become effective not earlier than March 17, 1973, on not less than one day's notice to the Commission and to the public.

2. Except as otherwise provided in Ordering Paragraph 8 hereof, the classification ratings and rules authorized herein are approved and adopted as just, reasonable and nondiscriminatory ratings and rules to govern the rates and rules promulgated by the Commission in Minimum Rate Tariffs 1-B, 2, 6-A, 9-B, 11-A, 14-A, 15 and 19.

3. Minimum Rate Tariff 2 (Appendix D to Decision No. 31606, as amended) is further amended by incorporating therein to become effective March 17, 1973, First Revised Page 15-C attached hereto and by this reference made a part hereof.

4. Exception Ratings Tariff 1 (Appendix A to Decision No. 66195, as amended) is further amended by incorporating therein to become effective March 17, 1973, Thirteenth Revised Page 6 attached hereto and by this reference made a part hereof.

5. 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 shall be made effective March 17, 1973, on one day's 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 the order herein may be made effective not earlier than March 17, 1973, and may be made effective on not less than one day's notice to the Commission and to the public if filed not later than May 17, 1973.

6. 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 1-B, 2, 6-A, 9-B, 11-A, 14-A, 15 and 19.

-6--

7. 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 1-B, 2, 6-A, 9-B, 11-A, 14-A, 15 and 19 are authorized to be maintained in connection with the ratings and rules authorized and directed to be established herein.

8. Except as provided in Ordering Paragraph 7 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 1 and Minimum Rate Tariffs 1-B, 2, 6-A, 9-B, 11-A, 14-A, 15 and 19.

9. 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.

10. In all other respects, Decisions Nos. 31606 and 66195, as amended, shall remain in full force and effect.

-7-

The effective date of this order shall be March 16, 1973.

Dated at Los Angeles, California, this \_\_\_\_\_ day of March, 1973.

President

Th

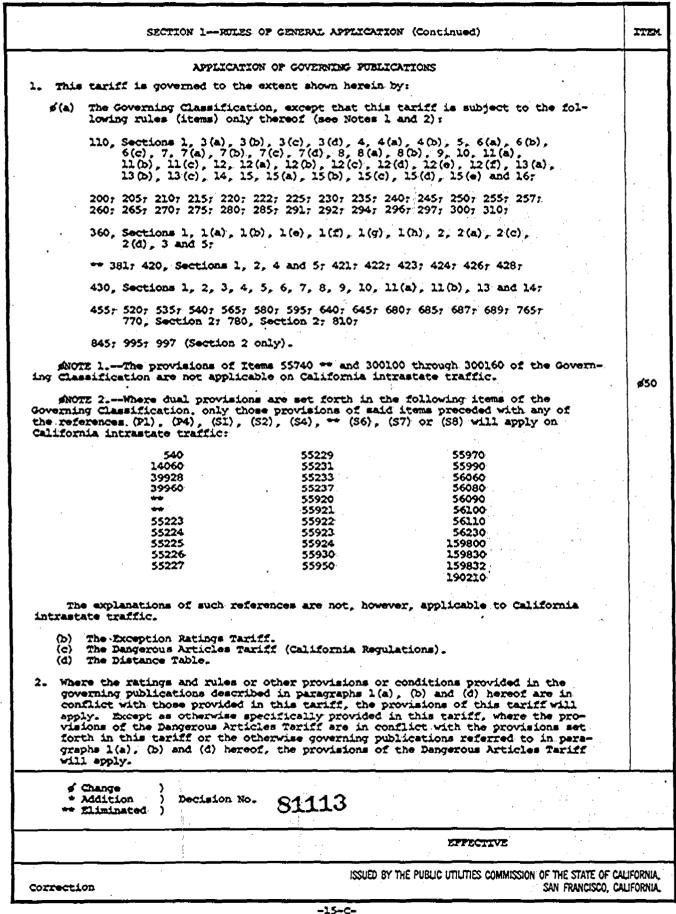
Commissioners

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

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding. MINIMUM RATE TARIFF 2

PIRST PEVISED PAGE .... 15-C

CANCELS ORIGINAL PAGE.....15-C



EXCEPTION RATINGS TARIFF 1

Correction

THIRTEENTH REVISED PAGE....6 CANCELS TWELFTH REVISED PAGE.....6

DEFINITIONS OF TECHNICAL TERMS	
DANGEROUS ARTICLES TARIEF means Motor Cerriers' Explosives and Dangerous Articles Tariff 14, Cal.P.U.C. 9, of American Trucking Associations, Inc., Agent, and supple- ments thereto or reisaves thereof.	
GOVERNING CLASSIFICATION means National Motor Freight Classification A-13.(See Note) TNOTE The provisions of Items 300100 through 300160 of the Governing Class	ø20 1-
fication are not applicable on California intrastate traffic.	
MODIANATIONS OF ABBREVIATIONS, LETTERS OR SYMBOLS	
Abbreviations. Letters or EXPLANATION Symbols	
CAL.P.U.C. Public Utilities Commission of the State of California. Col. Column. ERT Exception Patings Tariff 1. GC Governing Classification. Ibs. Pounds. No. Number. NOIBN Not otherwise indexed by name in this Exception Ratings Tariff or in the GC. The abbreviation "noibh" means that the description of which it is a part applies on articles included in the same "NOI" description in the Governing Classification.	40
N.O.S. or n.o.s. For otherwise specified in this tariff. Ditto (same). S Dollars.	
<pre> Change</pre>	
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF	

SAN FRANCISCO, CALIFORNIA.