

Decision No. 81435

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 highway carriers relating to  
the transportation of any and all  
commodities between and within all  
points and places in the State of  
California (including, but not  
limited to, transportation for which  
rates are provided in Minimum Rate  
Tariff 2).

Case No. 5432  
Petition for Modification  
No. 715  
(Filed August 25, 1972)

Jess J. Butcher, for California Manufacturers  
Association, petitioner.  
Richard W. Smith and A. D. Poe, Attorneys at Law,  
and H. Hughes, for California Trucking Association,  
protestant.  
Clyde R. Hoagland, for Redway Truck & Warehouse Co.,  
respondent.  
R. C. Fels, for Furniture Manufacturers Association  
of California and California Lamp & Shade  
Association; M. F. Washkow, for Furniture  
Manufacturers of California; Verne K. Wochnick,  
for Los Angeles Area Chamber of Commerce; Roger  
Marken, for Traffic Managers Conference of  
California; Frank C. Beck, for Ford Marketing  
Corp.; Raymond Mosser, for J. C. Penney Co.;  
Joseph Henderson, for American Greetings Corporation;  
Stanley A. Linder, for General Motors Parts  
Division, Inc.; George L. Benzon, for The  
Brearley Company; James R. Stone, for Thermos  
Division of King Seeley Thermos Co.; and Bill T.  
Farris, for County of Los Angeles; interested  
parties.  
Ralph J. Staunton, for the Commission staff.

O P I N I O N

In this petition, California Manufacturers Association (CMA) seeks revision of the mixed shipment provisions set forth in Note 4, Item 530 (Shipment Charges - Metropolitan Los Angeles Area) of Minimum Rate Tariff 2 (MRT 2).

Public hearing was held before Examiner Mallory in Los Angeles on November 20, 1972 and in San Francisco on January 12, 1973. The matter was submitted on the latter date.

Decision No. 78264 dated February 2, 1971 in Case No. 6322 (OSH Decision No. 74991) established in MRT 2 revised minimum rates for transportation by for-hire motor carriers within the Metropolitan Los Angeles Area.<sup>1/</sup> As an exception to the general application of MRT 2, shipment charges for shipments weighing 0 to 999 pounds are set forth in Item 530 of MRT 2 for application within the Metropolitan Los Angeles Area. The rules governing the application of the shipment charges, as originally established in Decision No. 78264 provided (in Note 1) that for commodities rated over Class 100 in the National Motor Freight Classification, the shipment charge shall be the charge set forth in Item 530 for the weight of the shipment multiplied by the applicable classification rating and (in Note 4) that mixed shipments containing commodities subject to different ratings in the National Motor Freight Classification shall be subject to the charges applicable to the highest rated commodity in the shipment, but not to exceed Class 125.

In Petition for Modification No. 638 in Case No. 5432, California Trucking Association (CTA) sought modification of the rules governing the application of Item 530 of MRT 2. Decision No. 79952 dated April 18, 1972 found that the mixed shipment provisions

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<sup>1/</sup> The Metropolitan Los Angeles Area includes the geographical area embraced by the portions of Los Angeles and Orange Counties included in the 58 Metropolitan Zones 201 through 258 described in Section 2-A of Distance Table 7.

of Note 4 of Item 530 provided lower total freight charges than would otherwise apply if each commodity in the mixed shipment were rated as a separate shipment; that under the then existing Class 125 maximum rating provision of Note 4 of Item 530, total freight charges for a mixed shipment containing one or more commodities rated above Class 125 could result in lower charges than the individual Item 530 shipment charges applicable to such higher rated commodities when rated as separate shipments; and that the declassification of commodities rated above Class 125, under the then existing mixed shipment rule in Note 4 of Item 530, did not reflect established classification and/or rate-making principles and was unduly preferential to certain Metropolitan Los Angeles Area shippers.

Decision No. 79952, as a result of the above findings, revised Note 4 of Item 530 to read as follows:

"Note 4 - ...when provisions of this item are applied to a shipment containing commodities subject to different ratings, the entire shipment shall be considered as subject to the highest rating of any commodity in the shipment."

In the petition herein, CMA alleges that substantial increases resulted from the amendment of Note 4 by Decision No. 79952; that the rates and charges resulting from that decision are unjust and unreasonable; that the decision has caused serious violations of Section 460 of the Public Utilities Code with respect to long- and short-haul departures; and that relief should be accorded the shipping public from the alleged unjust and unreasonable mixed shipment charges. Petitioner proposes that Note 4 of Item 530 be revised to read as follows:

"Note 4 - ...when 50 percent or more of the weight of a shipment consists of items rated at less than Class 125, the shipment charge shall be computed at 125 percent of the published charge. Otherwise, the shipment shall be rated at the highest classification of any item included in the shipment."

Evidence in support of the proposed amendment of Note 4 of Item 530 was presented by the director of petitioner's Transportation and Distribution Department; the traffic manager for the Los Angeles Parts Distribution Center, Ford Parts Division of Ford Marketing Corporation (Ford); the traffic manager for General Motors Parts Division, General Motors Corporation (General Motors); the warehouse manager of the Thermos Division of the King-Seeley Thermos Company (King-Seeley); the western regional sales manager of the Brearley Company (Brearley); and the plant manager for American Greetings Corporation (American Greetings).

Evidence in opposition to the adoption of petitioner's proposal was presented by protestant CTA.

The Commission staff presented no evidence and took no position in the proceeding.

Petitioner's witness presented a prepared statement on behalf of a CMA member, Mattel, Inc. Mattel manufactures toys at Los Angeles, and ships approximately \$6,720,000 of toys annually to points in the Metropolitan Los Angeles Zone. Mattel has experienced increases in rates from the revision of Note 4 of Item 530 adopted in Decision No. 79952. Mattel has attempted to make two shipments from one order whenever the rate level dictates. However, this cannot always be done because many of Mattel's customers require complete order shipping and will not accept receipt of an incomplete order.

Petitioner's witness also described the long- and short-haul departures that result from the current provisions of Note 4. The witness acknowledged that long- and short-haul departures would be reduced, but not eliminated under CMA's proposal. The CMA witness also compared the charges resulting in several hypothetical shipments containing various mixtures of commodities rated above Class 125 under present and proposed rules. The witness asserted that if the CMA proposal is adopted, many of the inequities pointed out in Decision No. 79952 would be eliminated, and freight charges would be more reasonable on mixed shipments.

The witness for Ford testified that approximately 350 shipments per month, weighing about 203,000 pounds are adversely affected by the present rule in Note 4 of Item 530. Under the present provisions of Note 4, charges are \$8,900 per month, and if the prior Note 4 provisions were in effect, the corresponding freight charges on such shipments would have been \$5,900, a \$3,000 per month difference. The shipments in question consist of auto parts rated Class 85 or lower, and auto fenders and hoods rated Class 200 and Class 150, respectively. Generally, the greater part of the mixed shipment consists of auto parts rated at Class 85. Under the present rule in Note 4, a typical mixed shipment consisting of 900 pounds of auto parts (Class 85) and 99 pounds of auto fenders and hoods (Class 200 and Class 150) must be rated at 999 pounds at Class 200. If the former provisions of Note 4 were still in effect, the entire shipment would be rated at Class 125. Under CMA's proposal herein, the entire shipment would also be rated at Class 125.

The witness for Ford testified that several thousands of parts, each identified by a different parts number, are stocked by Ford. The orders for parts are printed out by computer and filed from such printed order. It would be inconvenient for Ford to attempt to determine which of the many parts in each order would be subject to a class rating in excess of Class 125 in order to separate such auto parts into separate shipments. Also, dealers expect each order to be filled as an individual consignment. If several consignments were made from a single order, it would be difficult for dealers to recognize whether their orders had been properly filled.

Ford's witness pointed out that the shipment charges are the only rates available to it by for-hire carriers. Ford does not desire to engage in proprietary transportation to avoid the payment of shipment charges it deems to be unreasonable.

The witness for General Motors testified substantially in the same manner as the witness for Ford. The witness for General Motors stated that the company shipped in August 1972, 2,913 shipments weighing 1,412,631 at shipment rates, and paid freight charges thereon of \$46,197.63. The witness compared freight charges on 17 mixed shipments, which he stated were representative of the mixed shipments of General Motors. The mixed shipments consist of auto parts rated at Class 85 and auto fenders or hoods rated at Class 200 or Class 150. Under the original provisions of Note 4 (Decision No. 78264), the charges would have been \$252.08, and under current provisions of Note 4 (Decision No. 79952), the corresponding charges were \$396.40 or an increase of 36 percent. Of the 17 shipments used in the example, only one contained more than 50 percent of commodities rated higher than Class 100. Under CMA's proposal 16 shipments would be rated at Class 125 and one at Class 200. Under the CMA proposal the combined freight charges would be \$260.07, or a reduction from present charges of 34.4 percent.

The witness for King-Seeley testified that the company has two categories of commodities, namely, "vacuumware" and "out-door living product." "Vacuumware" products generally bear classification ratings greater than 125. The greatest proportion of the shipments from its Anaheim shipping facility is to California points. The witness compared the charges on 31 shipments handled during portions of June and July 1972 under prior and existing mixed shipments provisions in Note 4 of Item 530. Under original Note 4 (Decision No. 78264), charges would have been \$427.17, and under current provisions of Note 4 (Decision No. 79952), the charges were \$855.32, or an increase of approximately 100 percent. The record does not show what the charges on the sample shipments would be under CMA's proposal.

The witness for King-Seeley explained that shipments were generally prepaid. Customers will not accept orders, portions of which are shipped at different times or by different transportation companies. Therefore, the only practical method of shipping its products is to ship high-rated and low-rated commodities as a single mixed shipment.

The witness for Brearley testified that the company manufactures and ships bathroom scales (Class 70), clothes hampers (Class 200), vanity benches, set up (Class 100), and household shelving, knocked down (Class 110) from Los Angeles. The witness showed that it ships, on an average, approximately 11,013 pounds per month. The witness testified that the present mixed shipment rule in Note 4 of Item 530 has made it unprofitable to operate its warehouse in the Los Angeles Area. The witness used as examples of typical mixed shipments three shipments containing various quantities of commodities rated above Class 100. The first shipment consisted of 100 pounds of scales (Class 70), 51 pounds of hampers (Class 200), and 20 pounds of benches (Class 100). The freight charges on the above shipment would have been \$10.38 under Decision No. 78264, \$16.20 under Decision No. 79952, and \$10.38 under CMA's proposal.

The second shipment in the example consisted of 200 pounds of scales (Class 70) and 26 pounds of hampers (Class 200). The freight charges would have been \$11.88 under Decision No. 78264, \$19.00 under Decision No. 79952, and \$11.88 under CMA's proposal.

The third shipment in the example consisted of 140 pounds of scales (Class 70) and 13 pounds of hampers (Class 200). The freight charges on this shipment would have been \$10.38 under Decision No. 78264, \$16.60 under Decision No. 79952, and \$10.38 under CMA's proposal.

The witness for American Greetings testified that the corporation is a major manufacturer and distributor of greeting cards and related products. The principal commodities shipped range from Class 77-1/2 for greeting cards to Class 250 for bows and ribbon rosettes. The witness showed that the company ships approximately 500 shipments, averaging 161 pounds each, from its Los Angeles warehouse to points in the Metropolitan Los Angeles Area. The witness stated that under the Decision No. 78264 basis for mixed shipments, the average freight charge per shipment was \$11.24. Under Decision No. 79952, the average rose to \$19.82, or approximately 76 percent higher. The record does not show what the related charges would be under CMA's proposal. The witness testified that consideration was given to splitting off higher rated commodities as separate shipments, but purchase order requirements would not make such method feasible.



The supervisor of the Rate Section of CTA's Division of Transport Economics testified in opposition to the CMA proposal. The witness endeavored to show that the charge for a single high-rated commodity, when shipped separately, exceeds the charge for the same commodity when an additional commodity is included in the shipment. The witness supplied two examples of hypothetical shipments to support this contention as follows:

Example 1

Present Method

Commodity X (Class 200)	350 pounds	
Commodity Y (Class 70)	400 pounds	
	<u>750</u>	charge \$39.60
		(19.80 X 200)

Proposed Method

Commodity X (Class 200)	350 pounds	
Commodity Y (Class 70)	400 pounds	
	<u>750</u>	charge \$24.75
		(19.80 X 125)

(Aggregate weight rated higher than Class 125 does not exceed 50% of the weight of the shipment)

Commodity X as a separate shipment

Commodity X (Class 200)	350 pounds	- charge \$27.60
		(13.80 X 200)

Example 2

Present Method

Commodity X (Class 200)	50 pounds	
Commodity Y (Class 70)	50 pounds	
	<u>100</u>	charge \$13.30
		(6.65 X 200)

Proposed Method

Commodity X (Class 200)	50 pounds	
Commodity Y (Class 70)	50 pounds	
	<u>100</u>	charge \$8.31
		(6.65 X 125)

(Aggregate weight rated higher than Class 125 does not exceed 50% of the weight of the shipment)

Commodity X as a separate shipment

Commodity X (Class 200)	50 pounds	- charge \$10.40
		(5.20 X 200)

The CTA witness also endeavored to show by means of two hypothetical examples that the charge for a mixed shipment containing commodities rated higher than Class 125 may be reduced by adding additional weight to the shipment, as follows:

Example 1

Present Method

Commodity X (Class 200)	350 pounds	
Commodity Y (Class 70)	300 pounds	
	<u>650</u>	charge \$36.60
		(18.30 X 200)

Proposed Method

Commodity X (Class 200)	350 pounds	
Commodity Y (Class 70)	300 pounds	
	<u>650</u>	charge \$36.60
		(18.30 X 200)

(Aggregate weight rated higher than Class 125 exceeds 50% of the weight of the shipment)

However, under the proposal, add more weight and you may reduce the total charges of the shipment as follows:

Commodity X (Class 200)	350 pounds	
Commodity Y (Class 70)	300 pounds	
Commodity Z (Class 100)	51 pounds	
	<u>701</u>	charge \$24.75
		(19.80 X 125)

(Aggregate weight rated higher than Class 125 no longer exceeds 50% of the weight of the shipment, therefore, Class 125 is the maximum charge)

Example 2

Present Method

Commodity X (Class 200)	50 pounds
Commodity Y (Class 70)	49 pounds
	99 charge \$13.30 (6.65 X 200)

Proposed Method

Commodity X (Class 200)	50 pounds
Commodity Y (Class 70)	49 pounds
	99 charge \$13.30 (6.65 X 200)

(Aggregate weight rated higher than Class 125 exceeds 50% of the weight of the shipment)

However, under the proposal, add more weight and you can reduce your total charges as follows:

Commodity X (Class 200)	50 pounds
Commodity Y (Class 70)	49 pounds
Commodity Z (Class 100)	1 pound
	100 charge \$8.31 (6.65 X 125)

(Aggregate weight rated higher than Class 125 no longer exceeds 50% of the weight of the shipment, therefore, Class 125 is the maximum charge)

The witness further testified that CTA is in complete opposition to the proposal and believes that the present provisions are reasonable and should be retained. The witness stated that the present shipment charges would have to be substantially greater if they are to reflect the average costs of all commodities regardless of classification. The witness testified that the present shipment charges and the governing mixed shipment rule give reasonable effect to the substantially higher costs associated with the transportation of light and bulky or extremely valuable commodities which are normally assigned classification ratings in excess of 100. The witness urged that the effect of the CMA proposal (except for the 50 percent provision) would be to revert to the original provisions of Note 4 of Item 530, which the Commission has found to be unreasonable.

Discussion

It is apparent from this record that neither the original basis for determining charges on mixed shipments under Item 530 of MRT 2 adopted in Decision No. 78264, nor the revision thereof adopted in Decision No. 79952, is just and reasonable in all circumstances. As pointed out in the testimony of petitioner's witness, the initial mixture rule was too liberal, and the revised rule is too harsh. The former unduly favored shippers of high-rated commodities; the existing rules, as the record herein shows, unduly favor carriers. Clearly some modification of the existing mixture rules is required to produce just and reasonable minimum rates.

Several attempts were made by petitioner to arrive at a reasonable rule, culminating in its final proposal set forth above. While the record discloses that inequities currently exist, it does not contain a solution that would in all instances result in charges that neither discriminate against shippers nor carriers. The record shows that there are few mixed shipments where the weight of the commodities rated higher than Class 100 consist of 50 percent or more of the weight of the shipment. Inasmuch as the commodities assigned ratings above Class 100 are generally light and bulky in relation to commodities assigned lower ratings, space occupied, rather than weight, is the critical element. However, the record contains no method of determining freight charges based on the relative amount of space occupied. The record, nevertheless, is clear that the 50 percent limitation is meaningless for all practical purposes. Therefore, the CMA proposal is merely a request to reinstate a tariff provision which the Commission found in Decision No. 79952 to favor shippers and to be unreasonable.

On the other hand, to retain the present provisions of Note 4 of Item 530 is to completely ignore the rate discriminations pointed out on the record by various shippers and the long- and short-haul departures resulting from those provisions. Therefore, some modification of the present provisions appears necessary. In the circumstances, the Commission will adopt revised provisions which, in its judgment, will substantially reduce (but not entirely eliminate) the rate discriminations resulting from existing mixed shipment rule governing the shipment charges in Note 4 of Item 530.

The rule adopted in the following order appears to provide bases for determining charges on mixed shipments under rates in Item 530 which do not unduly favor the shipper or the carrier and will result in just and reasonable charges. The rule provides for various levels of charges depending upon the percentage of weight and the classification rating of the high-rated commodity included in the mixed shipment.

Findings

1. Minimum shipment charges applicable to the highway transportation of property within the Metropolitan Los Angeles Area, in lots of less than 1,000 pounds, are set forth in Item 530 of Minimum Rate Tariff 2.

2. Under the provisions of Note 1 in Item 530, straight shipments of commodities rated over Class 100 are subject to the shipment charge named in said tariff item multiplied by the rating applicable thereto.

3. In connection with mixed shipments, Note 4 in Item 530 of the tariff provides that the applicable shipment charge shall be that computed at the highest rated commodity in the shipment. The current provisions of Note 4 were established by Decision No. 79952 dated April 18, 1972 in Case No. 5432, Petition 638.

4. Prior to Decision No. 79952, Note 4 of Item 530 provided that the applicable shipment charge shall be that computed at the highest rated commodity in the shipment, but not to exceed Class 125. The prior provisions of Note 4 were established at the time Item 530 was added to Minimum Rate Tariff 2 pursuant to Decision No. 78264 dated February 2, 1971 in Case No. 6322.

5. Decision No. 79952 found that:

- (a) Under the then existing Class 125 maximum rating provision in Note 4 of Item 530, total charges for a mixed shipment containing one or more commodities rated above Class 125 could result in lower charges than the individual Item 530 shipment charges applicable to such higher rated commodities when rated as separate shipments;
- (b) The application of the former Class 125 limitation in Note 4, Item 530 of Minimum Rate Tariff 2 could result in an unreasonable diversion of a portion of the shipment charges intended, under the minimum rate structure, as compensation to the carrier for its services; and
- (c) The declassification of commodities rated above Class 125, under the mixed shipment rule in Note 4 of tariff Item 530, did not reflect established classification and/or rate-making principles and was unduly preferential to certain Metropolitan Los Angeles Area shippers.

6. Petitioner in this proceeding seeks the following revision of Note 4 of Item 530:

"Note 4 - ...when 50 percent or more of the weight of a shipment consists of items rated at less than Class 125, the shipment charge shall be computed at 125 percent of the published charge. Otherwise, the shipment shall be rated at the highest classification of any item in the shipment."

7. The evidence of record shows that the existing provisions of Note 4 of Item 530, as set forth in Finding 3 above, result in charges in excess of reasonable minimum rates in the instances when a small quantity of freight rated above Class 100 is included in a mixed shipment with lower-rated commodities.

8. The evidence of record also shows that few mixed shipments subject to Note 4 of Item 530 contain as much as 50 percent of commodities rated at Class 125 or above. Therefore, the "50 percent" provision contained in petitioner's proposal will not provide an effective limitation on the quantity of high-rated commodities that may be contained in the mixed shipment.

9. Inasmuch as it does not provide an effective limitation on the quantity of higher-rated commodities that may be included in a mixed shipment, petitioner's proposal herein would result in mixed shipment provisions substantially the same as contained in original Note 4 of Item 530, which provisions the Commission heretofore found to be unreasonable (Finding 5 above).

10. National Motor Freight Classification A-13 contains the following ratings for Class 100 and above. (Ratings greater than 100 are multiples of Class 100):

Class 100	Class 250
Class 110	Class 300
Class 125	Class 350
Class 150	Class 400
Class 175	Class 500
Class 200	

11. In place of petitioner's proposal, a modification of the provisions of Note 4 of Item 530 to provide a reasonable limitation on the quantity of goods rated higher than Class 100 that may be included in the mixed shipment will be reasonable.

12. The following modification of Note 4 of Item 530 of Minimum Rate Tariff 2 will result in just, reasonable, and nondiscriminatory charges for the transportation of mixed shipments containing commodities rated higher than Class 100, under the shipment charges set forth in Item 530:

Note 4 (Exception to paragraphs 2, 3, and 5 of Item 90 - Mixed Shipments). When provisions of this item are applied to a shipment consisting of articles subject to different ratings, the following shall apply:

- (a) When 10 percent or less of the weight of the shipment consists of articles rated above Class 100, the shipment charge shall be computed at 125 percent of the charge in Column A or Column B.
- (b) When more than 10 percent but less than 30 percent of the weight of the shipment consists of articles rated above Class 100, and none of the articles is rated above Class 200, the shipment charge shall be computed at 150 percent of the charge in Column A or Column B.
- (c) When more than 10 percent of the weight of the shipment consists of articles rated above Class 100, and one or more of the articles in the shipment is rated above Class 200, or when more than 30 percent of the weight of the shipment consists of articles rated above Class 100, the entire shipment shall be subject to the highest rating of any commodity in the shipment.

#### Conclusions

The Commission concludes that the petition should be granted to the extent provided in the above findings and that Minimum Rate Tariff 2 should be amended as provided in the order which follows. Any long- and short-haul departures resulting from the order herein are justified and relief from the long- and short-haul provisions of the Public Utilities Code should be authorized.



O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 2 (Appendix D to Decision No. 31606, as amended) is further amended by incorporating therein, to become effective June 29, 1973, Eighth Revised Page 44-C 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. 31606, 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 amendments 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 amendments 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. 31606, as amended, shall remain in full force and effect.

6. To the extent not granted herein, Petition for Modification No. 715 in Case No. 5432 is denied.

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

Dated at San Francisco, California, this 30th  
day of MAY, 1973.

Vernon L. Stinson  
President  
William J. Hughes  
William J. Hughes  
William J. Hughes  
Commissioners

## SECTION 2--CLASS RATES (Continued)

ITEM

SHIPMENT CHARGES--METROPOLITAN LOS ANGELES AREA  
(Applies only to shipments having both point of origin and point  
of destination in the Metropolitan Los Angeles Area.)  
(See Notes 1, 2, 3 and 4)

Charges on shipments weighing less than 1,000 pounds

Weight of Shipment (In Pounds)		Charge in Cents	
Over	But Not Over	Col. A (1)	Col. B (2)
0	25	440	310
25	50	535	350
50	75	615	395
75	100	685	425
100	150	820	500
150	200	960	600
200	250	1100	685
250	300	1200	785
300	400	1425	885
400	500	1585	885
500	600	1735	885
600	700	1885	885
700	800	2040	885
800	900	2190	885
900	But less than 1,000 pounds.	2350	885

NOTE 1--For commodities rated over Class 100 in the Governing Classification, the shipment charge shall be the charge stated above for the weight of the shipment multiplied by the applicable rating.

8530

NOTE 2--Charges in this item will not apply to shipments made under the provisions of Item 265, Parcel Deliveries.

NOTE 3--For shipments having point of origin or point of destination on a wharf, the shipment charge shall be that charge determined under other provisions of this item, plus 110 cents per shipment.

NOTE 4--(Exception to paragraphs 2, 3 and 5 of Item 90 - Mixed Shipments) When provisions of this item are applied to a shipment consisting of articles subject to different ratings, the following shall apply:

(a) When 10 percent or less of the weight of the shipment consists of articles rated above Class 100, the shipment charge shall be computed at 125 percent of the charge in Column A or Column B.

(b) When more than 10 percent, but less than 30 percent of the weight of the shipment consists of articles rated above Class 100, and none of the articles is rated above Class 200, the shipment charge shall be computed at 150 percent of the charge in Column A or Column B.

(c) When more than 10 percent of the weight of the shipment consists of articles rated above Class 100 and one or more of the articles in the shipment is rated above Class 200, or when more than 30 percent of the weight of the shipment consists of articles rated above Class 100, the entire shipment shall be subject to the highest rating of any commodity in the shipment.

(1) Applicable only on shipments not subject to Col. B.

(2) Applicable only on shipments subject to Pool Shipments in Item 179-1.

Change )  
Increase ) Decision No. 81435  
Reduction )

EFFECTIVE

Correction

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