

Decision No. 81708**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 household-goods carriers,  
 common carriers, highway carriers,  
 and city carriers, relating to the  
 transportation of used household  
 goods and related property.

Case No. 5330  
 Petition for Modification  
 No. 67  
 (Filed August 24, 1972;  
 amended December 5, 1972)

(Appearances are listed in Appendix A)

O P I N I O N

This petition was heard December 5 and 6, 1972 before Examiner Thompson at San Francisco and was submitted December 14, 1972 on the receipt of late-filed exhibits.<sup>1/</sup>

California Moving and Storage Association seeks increases in the Territory A hourly rates and charges named in Items 330 and 350 of Minimum Rate Tariff 4-B (MRT 4-B) governing the local moving and packing of household goods. Territory A consists of the counties of Alameda, Contra Costa, Marin, San Mateo, and Santa Clara, the city and county of San Francisco, and a portion of Sonoma County. The sought increases in rates are between four and five percent, depending upon the service involved. Consumer Action et al. and the Commission staff actively participated in the proceedings in opposition to the proposed increases.<sup>2/</sup>

<sup>1/</sup> This petition was scheduled for hearing at the same time as Petition 52 involving long-distance minimum rates on household goods. Petition 67 was called first and was heard on a separate record.

<sup>2/</sup> Tip Top Mover and the Department of General Services, State of California, entered appearances as protestants but did not actively participate in the proceedings.

The hourly rates for local moving and packing in Territory A were increased effective December 2, 1972 pursuant to Decision No. 80654 dated October 25, 1972 in Case No. 5330, Petition for Modification No. 62. Those adjustments were predicated upon carrier costs as of July 1, 1972. The increases proposed by petitioner are intended to offset increases in labor costs, payroll taxes, and workmen's compensation insurance rates as of January 1, 1973.

Petitioner and the staff presented estimates of the impact of the January 1, 1973 cost increases upon the costs to household goods carriers of providing local moving and packing services in Territory A. In the development of their respective estimates they used the same approach of again updating the cost study prepared by the staff in October 1967 and presented as Exhibit 32-1 in proceedings in Case No. 5330 which culminated in Decision No. 73386. The estimates presented herein represent the eleventh updating of Exhibit 32-1. Petitioner and the staff utilized the same data with respect to changes in costs; however, their treatment of that data differed so that they arrived at different estimates of the impact of the changes in costs. Resolving the differences of opinion between the petitioner and the staff concerning the proper treatment of the cost data necessitates an understanding of cost development procedures for minimum rate-making purposes and the procedures utilized in Exhibit 32-1. A general discussion of those procedures, including those used in Exhibit 32-1, is set forth at some length in California Moving & Storage Ass'n (1969) 70 CPUC 1 and need not be repeated here except to point out that the cost data used in Exhibit 32-1 for estimating costs for local moving services in Territory A was taken from a sample of eleven household goods carriers whose principal operations consist of local moving in Territory A.

Within the area embraced by Territory A there are five local unions of the Brotherhood of Teamsters. Effective January 1, 1973 the wage rates of drivers represented by three of those local unions increased 3.22 percent, in one local union the wage rates increased 3.81 percent, and in the case of the remaining local union there was no increase in wage rates. Petitioner weighted the January 1, 1973 wage rates of the five local unions on the basis of population determined by the 1970 census to arrive at a composite wage rate for Territory A. The dollar effect of fringe benefits, including holidays and sick leave, vacation, health, welfare, and pension, was determined in the same manner. Cost for workmen's compensation insurance was developed by applying the manual rate of \$8.81 per \$100 straight-time earnings, prescribed by the California Rating Inspection Bureau on October 1, 1972 for drivers and helpers of household goods carriers, to the composite straight-time wage cost developed for Territory A. Provisions for overtime wages and nonproductive time were made following the same formula used in Exhibit 32-1. Payroll taxes for drivers and helpers were developed by using the tax rates effective January 1, 1973. The total labor cost per revenue hour for Territory A was represented to be the sum of the costs so developed.<sup>3/</sup> To arrive at the total direct cost per hour the total labor cost per hour was added to the vehicle fixed cost per hour and the vehicle running cost per hour that had been developed by petitioner in Exhibit 62-2. Indirect cost was calculated by taking 38 percent of the direct cost per hour, which was the percentage factor used in Exhibit 32-1 and in Exhibit 62-2. To the sum of the direct cost and the indirect cost was applied a factor reflecting expenses

---

<sup>3/</sup> The method used in developing the labor costs is precisely the same as used by petitioner in Exhibit 62-2 presented in Case No. 5330, Petition for Modification No. 62. That exhibit reflected wage rates, fringe benefits, compensation insurance rate, and payroll tax rates as of July 1, 1972.

payable as a percentage of gross revenue, including transportation tax (1-1/2%), insurance expense (0.8%), and CPUC fee (0.43%). The total cost per hour at 100 percent operating ratio so developed was then compared with the cost per hour as of July 1, 1972 developed by the same methods and as set forth in Exhibit 62-2. The cost per hour increases so determined were:

	<u>Increases</u>	
	<u>Dollars</u>	<u>Percent</u>
2 Axle Truck with Driver & Helper	1.46	4.34
Tractor-Semi with Driver & Helper	1.46	4.67
2 Axle Truck with Driver Only	.71	4.37
Tractor-Semi with Driver Only	.71	4.09
Extra Helper	.48	4.29
Packing & Unpacking Labor	.50	5.08

The staff developed a composite wage rate for Territory A by ascertaining the wage rates as of January 1, 1973 for each of the eleven carriers in the sample utilized in Exhibit 32-1. At least one, and perhaps two, of the carriers in that sample are no longer in business. Those carriers had been parties to union agreements so that for the purpose of updating labor costs the staff considered them as still being in business and subject to the current provisions of the contracts with the local unions. Four of the eleven carriers are not subject to collective bargaining agreements with local unions of the Brotherhood of Teamsters. In those cases the staff ascertained in October 1972 the intentions of those carriers with respect to wage rates as of January 1, 1973. The wage rates so determined for the eleven carriers were weighted in the same proportion as was used in Exhibit 32-1 to arrive at a composite wage cost as of January 1, 1973. The dollar effect of fringe benefits was determined in the same manner. To determine the cost for workmen's compensation insurance the staff weighted the manual rate of \$8.81 per \$100 straight-time earnings to reflect the experienced rates of the sample carriers utilized in Exhibit 32-1. Provisions for overtime wages and nonproductive time were made following the

same formula used in Exhibit 32-1. Payroll taxes for drivers and helpers were developed by using the tax rates effective January 1, 1973. The estimated total labor cost per revenue hour for Territory A is the sum of the costs so developed. The method used in developing the labor cost per revenue hour is identical with the method used by the staff to reflect the labor costs per revenue hour as of July 1, 1972.

To the hourly labor costs the staff added the vehicle fixed cost per hour and vehicle running cost per hour that had been developed in Petition No. 62, which latter costs are identical to those used by petitioner, to arrive at a total direct cost per hour. In estimating the amount of indirect costs the staff used the wage offset method, heretofore described by the Commission in decisions in Case No. 5330, by which the dollar amount of indirect expense considered by the Commission in its Decision No. 80654 in Petition for Modification No. 62 was expanded by applying the percentage increase in driver and helper labor costs (approximately four percent) to 60 percent of that indirect cost. The wage offset method of estimating indirect expense increases was used by the Commission in Decision No. 80654. To the sum of the direct cost and the indirect cost was applied a factor reflecting expenses payable as a percentage of gross revenue. The factor used is the same as that used in Petition No. 62 and as used by petitioner. The total cost per hour so developed when compared with the total cost per hour at wage and tax levels as of July 1, 1972 disclosed the following increases in the total costs per hour at 100 percent operating ratio:

	<u>Increases</u>	
	<u>Dollars</u>	<u>Percent</u>
2 Axle Truck with Driver & Helper	.943	3.44
Tractor-Semi with Driver & Helper	.951	3.33
2 Axle Truck with Driver Only	.489	3.26
Tractor-Semi with Driver Only	.498	3.09
Extra Helper	.334	3.48
Packing & Unpacking Labor	.468	3.76

The differences between petitioner's estimates and the staff's estimates are attributable to differences in approach to the development of wage and fringe benefits costs, and to the development of indirect costs. The staff's approach to development of wage and fringe benefit costs is precisely the same as was utilized in Exhibit 32-1 which was the basic cost study. It was pointed out by petitioner that the approach taken reflects only increases in wages and fringe benefits prescribed in only three of the five union contracts. Petitioner also asserts that the weighting of the various wage and fringe benefit costs in proportion to the amount of revenue earned during 1967 by the eleven sample carriers does not reflect the amount of traffic moving at costs reflected in the various union contracts. Petitioner overlooks the fact that the basic cost study, Exhibit 32-1, did not reflect an average cost of performing local moving by all carriers in Territory A, nor an average of a cross-section of carriers in Territory A, nor did it measure the actual cost of an individual carrier in Territory A. Exhibit 32-1 was stated to be a measure of the costs which would be incurred in 1967 by a reasonably efficient carrier with typical equipment and facilities necessary to perform an efficient service. The wage costs estimated for this reasonably efficient carrier were determined from the sample of eleven carriers which sample was considered to typify reasonably efficient carriers conducting local moving operations in Territory A. This proceeding involves a consideration of whether the minimum rates should be increased to offset increases in costs. Exhibit 32-1 is the datum plane from which the effect of the increases in costs are to be measured. If the techniques used in the supplementary cost development differ from those used in the development of the datum plane the comparison of the supplementary cost study with the datum plane does not measure with reliability the effect of the changes in cost factors.

With respect to the use of the wage cost offset method of estimating indirect expenses as compared to the use of the wage offset method, the latter is more desirable for use in this proceeding for three reasons. The wage offset method was used in the development of the costs used in the last adjustment of local moving rates prescribed in Decision No. 30654. The basic cost study estimated costs as of 1967 and the proceeding here concerns the measurement of changes in those costs as of January 1, 1973. The last adjustment in minimum rates was ordered on October 15, 1972 and considered costs that would be borne by the carriers during the period July 1, 1972 to December 31, 1972. While we can accept without the support of a study of current compensation paid to employees other than drivers, helpers, and mechanics, the fact that relationships between the compensation paid to drivers, helpers, and mechanics, with the compensation paid to other employees are maintained,<sup>4/</sup> the only support for the acceptance that other expenses have or will increase proportionately is that such expenses have been and will be subject to inflationary trends. This may be true and there is good cause to believe that such has been and will be the case. Under Rule 23.1 of the Commission's Rules of Procedure, however, increases in minimum rates are not to reflect future inflationary trends.

For the purpose of adjusting the minimum rates for local moving of household goods in Territory A to reflect known increases in carrier costs since the minimum rates were last adjusted, the cost estimates presented in Exhibit 67-4 reasonably reflect the impact of the known changes in said costs, whereas the estimates presented by petitioner in Exhibit 67-1 do not.

In Exhibit 67-4 the staff set forth a schedule of rates which was developed by increasing the present rates by the dollar amount of increases in costs. The staff opposes any increase in the local moving rate but asserts that if the Commission finds that the minimum rates should be adjusted to offset the cost increases, the schedule in Exhibit 67-4 provides the proper adjustments.

---

<sup>4/</sup> If this were not so the supervised would be compensated at a rate greater than the supervisor.

An associate transportation rate expert of the Commission's Transportation Division testified that increases in the minimum rates for local moving in Territory A are not necessary because individual carriers may assess rates greater than the minimum and that a number of carriers are now charging higher than minimum rates. He stated:

"So the point is that there are some carriers perhaps who could operate at the current level without further increases, and those who can't would be justified in increasing their rates." (Tr. 61, 62.)

When asked the basis for his statement that there are some carriers that perhaps could operate at the current level of rates without further increases he said that telephone conversations with two carriers constituted the basis for that opinion. He said Mr. Donald Lane, the owner of Fremont-Union City Van Service, had telephoned in the latter part of November asking about this petition and how he could participate to oppose the increases proposed. He had a similar inquiry from David Devlin, owner of Tip Top Movers of Oakland.<sup>5/</sup> He had made no study or investigation to determine whether there are any carriers that could conduct local moving in Territory A profitably at present minimum rates with the increases in labor costs and payroll taxes effective January 1, 1973.

---

<sup>5/</sup> At the opening of the hearing on December 5, 1972, David L. Devlin entered an appearance for Tip Top Movers, protestant. He asked that he be permitted to be last in making his presentation. Immediately thereafter petitioner called its first witness and amended its rate proposal by requesting substantially lesser increases in rates than had been proposed in the petition. Petitioner had not completed its showing at the close of the hearing on December 5 and the matter was adjourned to 9:30 a.m., December 6, 1972. Mr. Devlin did not appear at the adjourned hearing. Mr. Donald Lane did not make an appearance in this proceeding. The Commission staff asserted that it is not the position of the staff, or of the Transportation Division, that the two telephone calls received by this witness constitutes clear and convincing evidence that there are household goods carriers that are willing and capable of performing local moving in Territory A at the present rates.



Consumer Action et al. did not present evidence. It argued that the cost studies upon which the present minimum rates are based do not reflect the circumstances and conditions of the preponderance of household goods carriers in Territory A which, it asserts, consists of small companies where the owner thereof operates a single truck. It states that the effect of increasing the local moving rates will be to drive customers who are being served and who can reasonably be served by the smaller companies away from the use of the commercial household goods movers. It asks the Commission to direct its staff to develop and provide evidence, including economic data, of how household goods traffic moves within Territory A and that until such evidence is forthcoming the minimum rates not be increased.

Section 5191 of the Public Utilities Code provides:

"The commission shall, upon complaint or upon its own initiative without complaint, establish or approve just, reasonable, and nondiscriminatory maximum or minimum or maximum and minimum rates to be charged by any household goods carrier for the transportation of property subject to this chapter and for accessorial service performed in connection therewith.

"In establishing or approving such rates the commission shall give due consideration to the cost of all of the transportation services performed, including length of haul, any additional transportation service performed, or to be performed, to, from, or beyond the regularly established termini of common carriers or of any accessorial service, the value of the commodity transported, and the value of the facility reasonably necessary to perform the transportation service."

Section 5102 of the Public Utilities Code sets forth the purposes of the Household Goods Carriers Act and provides in part:

"...; to secure to the people just and reasonable rates for transportation by carriers operating upon such highways; and to secure full and unrestricted flow of traffic by motor carriers over such highways which will adequately meet reasonable public demands by providing for the regulation of rates of all transportation agencies so that adequate and dependable service by all necessary transportation agencies shall be maintained and the full use of the highways preserved to the public."

It is clear that the Household Goods Carriers Act imposes the duty upon the Commission to establish just, reasonable, and nondiscriminatory minimum rates so as to implement the purposes of that act and does not contemplate the Commission establishing or approving unjust, unreasonable, or discriminatory minimum rates. It is also clear that the Legislature has directed the Commission to give due consideration to the cost of service as well as to other rate-making factors and principles in its determination of minimum rates that are just, reasonable, and nondiscriminatory. In Decision No. 73386 dated November 21, 1967 in Petition for Modification No. 32 in Case No. 5330, the Commission found that the cost estimates of performing service by household goods carriers transporting shipments at hourly rates and for accessorial labor set forth in Exhibit 32-1 represented the costs of reasonably efficient carrier operations at that time. It adopted the cost estimates for the purpose of adjusting the minimum hourly rates and accessorial charges set forth in Items 330 and 350 of MRT 4-B. In that decision the Commission found that rates and charges based upon those cost estimates would result in reasonable and nondiscriminatory minimum rates and charges for the services to which they apply. Those rates were established by the Commission as the just, reasonable, and nondiscriminatory minimum rates for local moving of household goods and related articles and for accessorial services. Since that decision those rates have been adjusted to reflect only known and measurable changes, including both increases and reductions, in taxes imposed by governmental authority, wage rates and fringe benefits, and rates for workmen's compensation insurance. Since the issuance of Decision No. 73386 the Commission has not been made aware of any changes in the composition of traffic tendered to household goods carriers or changes in the manner in which shipments for local moving are transported by household goods carriers. No such evidence has been presented by the staff. If there have been any improvements in productivity, and there has been no evidence that

such has been the case, as was pointed out in Decision No. 80654 any effect of such improvements would flow through to the ratepayer in lower charges by reason of fewer hours to which the hourly rates would be applicable. A denial of increases in the hourly rates for local moving for the reasons presented by the staff would not be consistent with the provisions of the Household Goods Carriers Act.

The argument of Consumer Action. et al. in effect is an assertion that the method by which the minimum rates for local moving have been determined is neither suitable nor realistic because it does not give consideration to the smaller carriers of household goods. Decision No. 73386 states that Exhibit 32-1 reflects the operations of 38 carriers operating in various areas of the State. Said carriers were randomly sampled from a stratified universe of 513 carriers who received \$10,000 or more annual revenue from operations under local moving rates. The 38 carriers were grouped into three categories according to geographical location of their local moving operations. Eleven of the carriers were placed in the category of operations in Territory A, and it is from those carriers that the estimates were made of the costs of transporting household goods for distances of not exceeding 50 miles. The cost estimates, therefore, may not be typical for operations of a household goods carrier that earns less than \$10,000 per year from local moving. The argument of protestant presupposes that the smaller carrier is in the category of earning less than \$10,000 per year from local moving and that the costs per revenue hour of such carrier are less than those considered in the establishment and adjustment of the local moving rates. There is no evidence in this record, nor in any other record involving rate making for highway carriers of which we are aware, which shows that the costs per revenue hour of the smaller carrier such as the one man-one truck operator are lower than those of larger carriers. The opposite has generally been shown to be the case, the reason being that the number of hours per month or per year to which the rates are applied as compared to the number of hours the owner devotes to the business

and the hours the equipment is available for use is very much smaller in the case of the one man-one truck operator than in the case of the larger carrier. The unit costs per revenue hour of fixed expenses such as for equipment, licenses, garage, office, telephone, and utilities diminish rapidly as the amount of business (revenue hours) increases. The driver and labor costs per revenue hour developed in the costs estimates presented by the staff, and which we have adopted for the purpose of adjusting the local moving rates for Territory A, consider the wage rates and fringe benefits paid to drivers and helpers not covered by any union labor agreements as well as those who are covered by such agreements. The labor costs involved in the taking of orders from possible customers, the making of estimates of charges, the issuance of a confirmation of estimate and shipping instructions, the calculation of freight charges, the issuance of a freight bill, the collection of charges, and the maintenance of accounting records are included in the cost estimates as indirect expenses. Those functions are necessarily a part of the business of a household goods carrier; indeed, most of them are required by orders of the Commission. The one man-one truck operator would have to perform those functions in his business. If he does them himself it would be unreasonable not to assign a cost at least equivalent to the compensation that he would receive for doing the same work for another carrier at the rates of pay prevailing in the industry. We are unable to find, or even to conjecture, that the costs per revenue hour of the one man-one truck operator are lower than those set forth in the staff's estimates.

Consumer Action, et al. asks the Commission to direct its staff to develop economic studies concerning the movement of household goods in Territory A. It stated, apparently on information and belief, that the circumstances and conditions in the local moving of household goods within Territory A are different from those reflected and considered in the cost studies. There is no evidence that has been presented before the Commission that would support that belief; the expenditure of funds necessary to develop and prepare a general economic study at this time is not warranted. If protestant will notify the Commission of the identity of any carriers of which it has information that operate under conditions and circumstances different from those considered herein, and in which an increase in rates for local moving may not be justified, the Commission will cause an investigation to be made of those circumstances.

Petitioner contends that the minimum rates should be adjusted upwards by the percentage of increase in costs. The staff contends that if they are to be adjusted at all the rates should be increased only by the dollar amount of the increases in costs. The method of increasing the rates by a percentage in essence provides for a profit on the increases in costs, whereas increasing the rates by the dollar amount of increases in costs does not. Resolution of this issue involves the question of whether an increase in profit proportional to the increase in costs is necessary to assure the maintenance of adequate, safe, and dependable local moving of household goods in Territory A. Petitioner presented Exhibit 67-3 which sets forth the 1971 operating ratios of seven of the eleven sample carriers. The exhibit shows that all seven carriers had operating ratios of greater than 99 percent and the weighted average of the

group was 106.9 percent.<sup>6/</sup> Those results were furnished petitioner by the individual carriers by telephone, they were not verified by petitioner, nor was petitioner able to indicate whether business activities of these carriers other than local moving in Territory A may have been responsible for the unfavorable operating results. There have been general upwards adjustments in the minimum hourly rates for Territory A effective in July 1971 (4.0%), on May 13, 1972 (4.6%), and on December 2, 1972 (4.7%). The evidence presented by petitioner is not persuasive that increases in revenues in excess of those required to offset the increases in costs is necessary to assure the maintenance of safe and adequate service.

We find that:

1. The minimum hourly rates for the transportation of household goods and related articles in Territory A named in Minimum Rate Tariff 4-B were last adjusted pursuant to Decision No. 80654 dated October 25, 1972 in Case No. 5330, Petition for Modification No. 62. Said adjustment reflected labor costs and allied payroll expenses of household goods carriers as of July 1, 1972.

2. As of January 1, 1973, the prevailing costs of local moving by household goods carriers in Territory A have increased because of increases in labor costs, payroll taxes and workmen's compensation insurance rates, which increases in expenses are not reflected in the current rates for local moving in Territory A.

---

<sup>6/</sup> The same operating results for six of the seven carriers were set forth in Exhibit 62-4. In Decision No. 80654 in Petition for Modification No. 62 the Commission considered that exhibit and adjusted the minimum rates by the dollar amounts of the increases in costs shown.

3. The impact of the increases in expenses described above upon the total cost of transporting household goods at hourly rates in Territory A is accurately measured and is set forth in Exhibit 67-4 presented in this proceeding by the Commission staff.

4. The revisions in minimum hourly rates set forth in Exhibit 67-4 set forth the rates necessary to offset the dollar amount of increases in costs of providing local moving services at hourly rates in Territory A.

5. To the extent that the hourly rates for Territory A set forth in Items 330 and 350 of Minimum Rate Tariff 4-B are lower than the adjusted rates set forth in Exhibit 67-4, such rates are unreasonably low for the services to which said rates apply, and are insufficient to assure the maintenance of safe, adequate, and dependable service in local moving of household goods and related articles in Territory A.

6. The adjusted rates set forth in Exhibit 67-4 are, and for the future will be, the just, reasonable, and nondiscriminatory minimum rates for the services for which rates are named for Territory A in Items 330 and 350 of Minimum Rate Tariff 4-B.

7. The increases in rates which will result from the establishment of the adjusted rates set forth in Exhibit 67-4 as the minimum rates to be observed by highway carriers are justified.

8. In compliance with Rule 23.1 of the Commission's Rules of Practice and Procedure, promulgated pursuant to the Economic Stabilization Act of 1970, as amended, the evidence of record in this proceeding demonstrates that:

- (a) The increases, averaging 3.3 percent, found justified herein apply to local hourly rates which the Commission has heretofore established as minimum rates for the transportation of household goods locally within various counties surrounding the San Francisco Bay Area by for-hire highway carriers.

- (b) The increased minimum rates are cost justified and do not reflect future inflationary expectations.
- (c) The increased rates are the minimum required to assure continued adequate, and safe service by carriers engaged in for-hire transportation of household goods within the aforementioned territory.
- (d) The rate increase takes into account expected and obtainable productivity gains.
- (e) The dollar amount of the increased revenue which the increase in rates is expected to provide carriers collectively is about \$358,010.
- (f) The additional revenue is not more than required to offset like increases in operating costs which the carriers have experienced and which are not reflected in the present minimum rates. It is expected, therefore, that the increased rates will not increase the carriers' overall rate of return on capital.
- (g) Reasonable opportunity was accorded for participation by all interested parties at a public hearing in this matter. It was not clearly and convincingly established that there is any carrier or carriers available who are willing and capable of providing service at the existing level of minimum rates.

We conclude that Minimum Rate Tariff 4-B should be amended by incorporating therein the adjustments in minimum hourly rates set forth in Exhibit 67-4; that common carriers subject to the Public Utilities Act, to the extent that they are also subject to Decision No. 65521, as amended, should be directed to adjust their rates to conform with the adjustments in the minimum rates, and that in all other respects Petition 67 of the California Moving and Storage Association should be denied.



O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 4-B (Appendix C of Decision No. 65521, as amended) is further amended by incorporating therein, to become effective September 6, 1973, Nineteenth Revised Page 28 and Eighteenth Revised Page 29, 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 also to said Decision No. 65521, as amended, are hereby directed to establish in their tariffs the increases necessary to conform with the further adjustment ordered herein.

3. 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 not later than September 6, 1973, on not less than one day's notice to the Commission and to the public.

4. In all other respects said Decision No. 65521, as amended, shall remain in full force and effect.

5. Except as provided hereinabove, Petition for Modification No. 67 of the California Moving and Storage Association is denied.

The effective date of this order shall be September 4, 1973.

Dated at San Francisco, California, this 14<sup>th</sup>  
day of AUGUST, 1973.

[Signature]  
President  
[Signature]  
[Signature]

Commissioners

-17-

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

APPENDIX A

List of Appearances

For Petitioner: Knapp, Gill, Hibbert & Stevens by Wyman C. Knapp,  
Attorney at Law, and Chas. A. Woelfel, for California  
Moving & Storage Association.

Respondents: R. L. Reeves and Frank Payne, for Lyon Moving &  
Storage Company; Sig Dombrowsky, for U.I.P. Movers, Inc.;  
Jack E. Macy, for Macy Movers, Inc.; Quig M. Driver, for himself;  
Sam S. Blank, for Dependable Moving & Storage Company; Russell L.  
Reiserer, for Rieder's Moving & Storage, Inc.; Ernest Conner,  
for Ernest Conner Moving; R. I. Burnette, for Foster's Transfer &  
Storage; Carl Dysinger, for Diablo Moving & Storage; William  
Shulze, for Pacific Moving & Storage Company; George E. Thomas,  
for Thomas Transfer & Storage Co., Inc.; John J. Canova, for  
Canova Moving & Storage Co.; A. L. Chipman, for Chipman Moving &  
Storage, Inc.; James A. Nevil, for Nevil Storage Company;  
Gordon W. Koller, for Smyth Van & Storage Company; Albert Coudere,  
for Sausalito Moving & Storage; Roeder S. Stinson, for Owens Bros.  
Transfer & Storage; Richard E. Dotts and R. T. Schmitz, for  
Bekins Moving & Storage Company; Thomas R. Travers, for Western  
Van & Storage; and Peter P. Mazzetti, for Neptune-World Wide  
Moving.

Protestants: Mrs. Sylvia Siegel, for herself, San Francisco Consumer  
Action, Consumers United, Alameda County Consumer Action, and  
Diablo Valley Consumer Action; Philip K. Davies, for Department  
of General Services, State of California, and David L. Devlin,  
for Tip Top Mover.

Interested Parties: Robert A. Kormel, for Pacific Gas and Electric  
Company; Tad Muraoka, for IBM Corporation and California Manu-  
facturers Association; and Jess J. Butcher, for California  
Manufacturers Association.

For the Commission Staff: Clyde T. Neary and John F. Specht.

SECTION 3--RATES (Continued)				ITEM
RATES IN CENTS PER HOUR (1) (2) (Applies for Distances of 50 Constructive Miles or Less)				#330
Unit of Equipment:	TERRITORY (3)			
	A	B	C	
	(a) with driver -----	1670	1410	
(b) with driver and 1 helper -----	3000	2450	2285	
Additional helpers, per man -----	1065	735	695	
Minimum charge--the charge for one hour.				
(1) See Item 70 for application of rates. (2) See Item 95 for computation of time. (3) See Item 210 for territorial descriptions.				
DISTANCE RATES IN CENTS PER PIECE (1) (2) (Applies to Shipments of Not More Than 5 Pieces for Distances of 50 Miles or Less)				340
FIRST PIECE			Each Additional Piece	
MILES (3)				
Not Over 10	Over 10 but Not Over 20	Over 20		
1025	1905	2665	355	
(1) See Item 70 for application of rates. (2) Rates in this item will not apply to split pickup or split delivery shipments, or storage in transit privileges. (3) See Item 50 for computation of distances.				
♂ Change ) ♂ Increase ) Decision No. <b>81708</b>				
EFFECTIVE				
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.				
Correction				

SECTION 3--RATES (Concluded)			ITEM
ACCESSORIAL RATES Rates in Cents per Man per Hour (1)(2)(3)			
Packing ) Unpacking)  Minimum Charge--the charge for one hour.	TERRITORY (4)		
	DA	B	C
	1330	1095	1020
(1) See Item 70 for application of rates. (2) See Item 95 for computation of time. (3) Rates do not include cost of materials. (See Item 360) (4) See Item 210 for description of territories.			350
RATES AND CHARGES FOR PICKING UP OR DELIVERING SHIPPING CONTAINERS AND PACKING MATERIALS  1. In the event new or used shipping containers, including wardrobes, are delivered by the carrier, its agent, or employees, prior to the time shipment is tendered for transportation, or such containers are picked up by the carrier, its agents or employees subsequent to the time delivery is accomplished, the following transportation charges shall be assessed: (See Note 1)  Each container, set up ----- 170 cents Each bundle of containers, folded flat--- 170 cents Minimum charge, per delivery----- 790 cents  2. (a) Shipping containers, including wardrobes (See Note 2) and packing materials which are furnished by the carrier at the request of the shipper will be charged for at not less than the actual original cost to the carrier of such materials, F.O.B. carrier's place of business.  (b) In the event such packing materials and shipping containers are returned to any carrier, participating in the transportation thereof when loaded, an allowance may be made to the consignee or his agent of not to exceed 75 percent of the charges assessed under the provisions of paragraph 2(a).  NOTE 1.--If the hourly rates named in Item 330 provide a lower charge than the charge in paragraph 1 of this item, such lower charge shall apply.  NOTE 2.--No charge will be assessed for wardrobes on shipments transported at the rates provided in Item 330.			360
of Change ) o Increase ) Decision No. 81708			
EFFECTIVE			
Correction			
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA			