

ORIGINAL

Decision No. 81862

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into the constructive mileages and related rules and provisions of all highway carriers, relating to the transportation of any and all commodities between all points in California (including, but not limited to, constructive mileages provided in the Distance Table).

Case No. 7024
Petition for Modification
No. 30
(Filed March 1, 1972)
and
Order Setting Hearing 31
(Filed June 12, 1972)

(For appearances see Appendix A)

O P I N I O N

The Distance Table, issued by the Commission, contains constructive mileages^{1/} to be used in determining distance rates for transportation between points in California as set forth in the minimum rate tariffs governed thereby. The current Distance Table 7 (DT7) was established by Decision No. 74532 in Case No. 7024 (unreported) and became effective January 1, 1969. DT7 reflects freeways, highways, and other conditions as of July 1, 1968.

Petition 30 filed March 1, 1972 by the California Trucking Association (CTA) alleged that cost factors included in the constructive mileage formula from which the mileages in DT7 were developed have increased and requested that the Commission direct its staff to recalculate the distance table constructive mileage factors based upon current costs and to revise DT 7 accordingly.

^{1/} The foreword to DT 7 states as follows:

The distance between points may or may not be actual highway mileage, depending on certain variable factors. Distances different from actual miles have been developed by making adjustments for variations in motor vehicle operating conditions caused by the following:

- (1) Elements of highway design, such as grades and alignment.
- (2) Elements of highway traffic such as congestion and controls.

Order Setting Hearing 31 (OSH 31) dated June 12, 1972 was issued by the Commission in response to a motion filed by the California Manufacturers Association (CMA) to broaden the scope of the proceeding in Petition 30 to permit receipt of evidence from interested parties concerning appropriate procedures for the amendment of DT7. OSH 31 directed that hearings be held for the receipt of evidence from all interested parties with respect to the nature and extent of, and the appropriate methods of accomplishing, future changes in the constructive mileages, rules, and governing provisions of DT7. OSH 31 also consolidated the two proceedings for hearing.

In Petition 30, CTA seeks a revision of the time unit cost to reflect current hourly wages for short-line drivers, and a revision of the distance unit cost to reflect current costs of equipment and other mileage factors.

Public hearings in the consolidated proceedings were held before Examiner Mallory in San Francisco on June 16 and September 27, 1972 and on January 23, February 15 and 16, and May 23 and 24, 1973. On the latter date the consolidated proceedings were submitted for a ruling by the Commission with respect to the nature and extent of the studies that would be conducted by the Commission staff looking to the revision of DT7. CTA was authorized to file a motion and statement in support thereof, which was filed on June 14, 1973. Replies to said motion were filed by several parties on or before June 29, 1973.

Prior Revisions of the Distance Table

The mileages in DT7 were constructed on the constructive mileage formula adopted in connection with the revision of DT5 except for changes in standard speed. The specific formula was introduced in Case No. 7024 (OSH 12/20/60) as Exhibit 3. (Decision No. 64802 dated January 15, 1963, 60 Cal. P.U.C. 453.)

DT7 revisions reflected the increase in the maximum legal speed for motor trucks to 55 miles per hour (previously 50 miles per hour). There were no other factors changed in the constructive mileage formula used in connection with the revision of DT5 and DT6.^{2/}

Prior orders in Case No. 7024 indicated that the Commission planned periodic revisions of the distance table when major changes have occurred in factors affecting constructive mileage.

Federal Highway Program

The record shows that in the period since the last revision of the distance table, the Federal Government, in conjunction with the several states, has embarked on a large scale program for the building of interstate highways. In California several new segments of interstate highway have been built which are not shown in DT7. Completion of Interstate 5, which parallels the west side of the San Joaquin Valley between Tracy and the junction with State Highway 166, 23 miles south of Bakersfield, substantially reduced the actual

^{2/} The Constructive Mileage formula used in DT5 and DT6 is as follows:

$$CM = \frac{\frac{c_t}{v}}{\frac{c_t}{v'} + c_d}$$

c_t = time unit cost	=	\$ 4.498/hour
c_d = distance unit cost	=	\$ 0.155/mile
v' = standard speed	=	50 miles per hour
v = actual speed		

The factors for the Constructive Mileage formula used in Distance Table 7 are the same as that shown above, except that 55 MPH is used for v' (standard speed) in place of 50 MPH.

highway mileage between the San Francisco and Los Angeles metropolitan areas. Inclusion in the distance table of those recently completed freeway route segments also would reduce constructive mileages between the two metropolitan areas.

Background of Staff Studies

The Commission staff on January 19, 1971 addressed a letter to interested parties indicating that major changes had occurred since the last revision of constructive mileages (in DT7), and that the staff would appreciate comments as to whether studies looking to the revision of DT7 should be undertaken and whether a target date of January 1, 1973 should be adopted. Several responses were received to the letter of January 19, 1971. All contained suggestions concerning the manner in which DT7 should be revised. Fibreboard Corporation and CTA suggested that the target date for revision of DT7 be advanced to January 1, 1975. This recommendation was later concurred in by Traffic Managers Conference of California (Conference) and California Manufacturers Association (CMA).

On April 30, 1971 a letter was directed by the staff to interested parties stating that "after review of the comments and further consideration of the matter, it appears there is no need for issuance of a revised distance table prior to January 1, 1975. Therefore, the staff does not plan to start work on a revision at this time. We plan to review this matter again around July 1972."

Upon receipt of the foregoing letter, Petition 30 was filed by CTA.

Evidence in Petition 30

CTA developed evidence in its petition designed to show that the time unit costs and mileage unit costs used in the constructive mileage formula which underlies the mileages in DT7 are substantially below current costs. CTA showed, for example, that the cost for the basic equipment unit (consisting of a 2-axle diesel-powered tractor, dolly, and 2 single axle full vans) had increased in the period 1961 to 1970, from \$26,014 to \$28,893. CTA also showed that the basic wage rate for a short-line driver had increased from \$3.35 in 1961 per hour to \$8.21 per hour as of July 1, 1972.

A rate analyst employed by Kaiser Steel Corporation testified on behalf of that company and CMA. The witness stated that the vast majority of steel products manufactured by Kaiser are transported by highway carriers. The witness found that California is the only state that employs truck rates based on constructive mileages. The witness asserted that use of constructive mileages is out-dated and cumbersome to use. It was the opinion of the witness that it would be far simpler to use actual mileages which are already published in distance table form and are presently used within and between other states, such as publications of the Oil Field Haulers Association and the Household Goods Carrier Tariff Bureau. The witness urged that the minimum rates in California be governed by actual distances, which assertedly would save the expense of periodic adjustments of the distance table issued by the Commission.

Rebuttal testimony by CTA to the testimony of Kaiser's witness was to the fact that if actual highway mileages are adopted to replace present constructive mileages, the minimum rates now governed by the distance table should be adjusted upward to compensate for the reduction in mileages on which such rates are computed. The CTA witness also contended that the costs of replacing the present distance table with a tariff of actual mileages would be no less expensive than revision of the distance table.

Evidence in OSH 31

The evidence in OSH 31 was presented by two members of the staff of the Commission's Transportation Division. At the hearing on September 27, 1972 these witnesses presented a joint study (Exhibit 31-1) setting forth the details of the analyses made by the staff with respect to the manner in which the distance table should be revised, and recommendations as to the manner in which the revisions should be accomplished.

In Exhibit 31-1 the proposed schedule for completion and issuance of Distance Table 8 is as follows:

- | | |
|--------------------|---|
| August 1, 1972 | - Start of project planning. |
| September 11, 1972 | - Start of field work. |
| January 1, 1973 | - Cutoff date for suggestions from industry as to new points and roads. |
| March 15, 1973 | - Completion of field work affecting computed input. |
| November 15, 1973 | - Completion of summary of field data and start of preparation of computer input to determine constructive mileage table distances. |
| April 1, 1974 | - Distribution of proposed Part I, Rules and Tables and Maps 1, 2, 3, and 4 of Part II to interested parties. |
| May 1, 1974 | - Estimated hearing date. |
| November 1, 1974 | - Distribution of Distance Table 8. |
| January 1, 1975 | - Effective date for Distance Table 8. |

The following are the recommendations contained in Exhibit 31-1 as to the manner in which DT7 should be revised and the studies which would be conducted by the staff to accomplish such changes:

1. Distance Table 8 is to be in essentially the same format as Distance Table 7. It would consist of two books or parts with Part I covering "Rules and Tables of Distances" and Part II the Book of Maps. All carriers operating under minimum rate tariffs involving the distance table would be required to subscribe to Parts I and II.
2. In addition, an optional Part III with an "all-points-to-all-points" table would be made available to any party wishing to purchase such a table.
3. Points and roads considered valid from the suggestions made by the parties as directed in Decision No. 74352 will be included.
4. New red points will be added to include as red points those black points which have become of sufficient importance to qualify, and new red points required because of strategic location or new roads added to the distance table.

5. New roads which were constructed since the last update of the distance table and roads which have increased in importance enough to merit inclusion will be added. New bridges such as the San Diego-Coronado and the Ord-Bend bridges will be included
6. The constructive mileage formula will be updated to bring time and distance costs to current levels. The formula will be modified to include an adjustment factor which will insure that the constructive mileages in the aggregate will be neither increased nor decreased (so-called "F" factor adjustment). As a result of the cost changes, Distance Table 8 constructive mileage will be computed on the basis of the revised formula.
7. The grade-speed relationship to recognize higher horsepower motors currently being used will be adjusted.
8. New San Diego Metropolitan Zones 315, 316, 317, and 318 north of the present San Diego zoned area, as set forth in Dec. 71610 and in C. 5439 dated November 29, 1966 will be added and possible addition of new zones in area northeast of present Los Angeles Metropolitan Zones will be considered.
9. More recent maps to replace out-of-date supplementary maps will be included where they are available.
10. New rules or changes to rules that may be required will be added.
11. The staff will explore the feasibility of coordinating Metropolitan Zones with the postal zip code areas.

At hearings held in January and February, 1973 the staff amplified the explanation of the studies they propose to conduct and, in response to requests from interested parties, prepared and presented detailed comparisons of the changes that would result from the adoption of the methods proposed by the staff for amendment of DT7. Said data are contained in Exhibits 31-2 through 31-6.

Exhibit 31-4 introduced by the staff engineer shows, in Table V, the manner in which the so-called "F" factor referred to in paragraph 6 above would be computed and the effect it would have on resulting constructive mileage. The engineer testified that he

had developed preliminary mileage compilations for DT8 based on a revision of the constructive mileage formula (footnote 2) by substituting 1972 wage, equipment, and related cost factors for those used in the formula underlying DT5, 6, and 7. He determined that mileages based on the updated formula would be 2.624 percent greater than if the prior formula was used. The staff witness recommended, if the constructive mileage formula is brought up-to-date to reflect 1972 cost factors, that the resulting mileages be multiplied by a factor of 0.974 ("F" factor), to eliminate the increases in constructive mileage resulting from the revision of the constructive mileage formula.

At the hearing on May 23, 1973 the Commission staff witnesses introduced (in Exhibit 31-7) a revised staff proposal as to the studies which the staff would undertake in connection with revision of DT7.^{3/} That exhibit states as follows:

"Hearings on the preliminary phases of the distance table have continued past the time when decisions were required as to the distance table formula and zone additions and changes in order to meet the proposed schedule. Considering additional hearings scheduled and the varying positions of the parties, it does not appear that a decision on the staff's original proposal will be issued within 3 or 4 months. This situation requires reconsideration of the staff's original proposal for Distance Table 8.

"There have been numerous and substantial changes in the roads and highways since the issuance of DT7 on January 1, 1969. DT7 covered new highways scheduled for completions up to July 1, 1969. Between that time and the present new bridges have been constructed and hundreds of miles of new freeways completed including the new Interstate 5 route between Los Angeles and State Route 152 near Los Banos which was opened in March 1972. By January 1975 hundreds of additional miles of new freeways and improved highways

^{3/} Exhibit 31-7 also contains clarification of certain information previously furnished by the staff.

will have been completed. To properly meet the transportation needs of the economy of California the distance table must be based on current highway conditions. It is imperative that Distance Table 8 be issued no later than January 1, 1975.

"In consideration of the above conditions it is necessary to modify the staff proposal for Distance Table 8 as outlined in Exhibit 31-1 to exclude any changes resulting from:

1. Revision of constructive mileage formula.
2. Modification or addition of zones."

None of the parties opposed the foregoing revision of the staff proposal dealing with "modification or addition of zones." CTA vigorously opposed the change dealing with "revision of constructive mileage formula."

At the conclusion of the receipt of staff evidence on its proposals, the proceedings were taken under submission for rulings by the Commission on the methods and time schedules which should be adopted for revision of DT7.

CTA moved that the examiner immediately direct the Commission staff to cease processing distance table material (except for sample and testing purposes) which assures Commission approval of old constructive mileage formula components and to direct that the staff efforts in the interim period between submission and a Commission order be dedicated to completion of field studies and other areas in which they have not completed the gathering of basic data. That motion was denied by the examiner. CTA was given permission to renew the motion and to file a written statement in support thereof within thirty days of submission. Other interested parties were authorized to reply within 15 days after the filing of the motion.

Motion for Commission Direction

On June 14, 1973 CTA filed the following statement and motion:

"As a result of the continuing delay by the Commission staff in commencing studies to modernize the governing Distance Table, the California Trucking Association filed Petition 30, in Case 7024, requesting that the Commission direct its staff to recalculate constructive mileages on the basis of current costs and to revise Distance Table 7 accordingly. Subsequently, the Commission issued its Order Setting Hearing 31 as a vehicle for the receipt of evidence from interested parties concerning necessary changes in the governing Distance Table.

"Public hearings began in June, 1972 and have continued intermittently through May 1973. On May 23, the Commission staff announced that it desired an interim order by the Commission authorizing them to cease their program of developing current information, and to provide revisions based upon the 'old' formula and factors. Subsequent testimony and staff comments indicated that requesting the order is an idle act, inasmuch as the staff has already begun to process information into the computer on this premise, and that it is already revising all prior work done on the basis of current studies to reflect the 'old' formula and factors.

"The record clearly shows that the staff has already determined what it intends to do, and that it expects the Commission to rubberstamp such determination.

"This petitioner is not yet prepared to accept the conclusions reached and enunciated in various quarters concerning the degree to which the staff is responsive to the directives of the Commission and its examiners, and accordingly requested and received permission of the presiding examiner to make this formal motion:

'That the Commission staff be directed to immediately cease processing distance table material, except for sample and testing purposes, which presumes Commission approval of the "old" formula components; and that the staff be directed to return to the original premise of making a complete current investigation and to develop necessary distance table changes predicated upon current facts and circumstances.'

In support of its motion, CTA argued as follows:

"The results of current studies as suggested by the staff, with an end result of having a 'new' distance table which relies on 'old' formula components is inconceivable. The use of 'old' formula components as suggested by the staff would mean the use of equipment cost incurred by the trucking industry during the 1940's and 1950's; the use of driver wages which were paid in 1960; the use of fuel and other running costs incurred during 1960; and the taxes and licenses paid during 1960. Not a single cost which the staff proposes to use to develop its 'new' Distance Table 8, scheduled to become effective on January 1, 1975, would be based upon costs more current than July, 1960. The Commission staff cost witness testified that on May 23 he had available information current as of the 1970's and that within some 60 days he would have cost information available that would be current through mid-1973. His only reason for not using such current information, and for reversing his earlier calculations utilizing current data, was to refer to 'instructions from his superiors.'

"The only justification for such action is the staff concern that they will be unable to meet established 'deadlines' for completing the development of Distance Table 8. The supposed deadline was merely a suggestion. The compelling needs of the parties and the express objectives of the Commission investigation were for a modernization of a document to be used for many future years. These are hardly matters which can be explained away by reference to 'deadlines' which are easily made flexible enough to accomplish the desired result."

The following parties filed replies to the CTA motion: American Cement Corporation; Monolith Portland Cement Company; General Portland, Inc., California Division (formerly Pacific Western Industries, Inc.); Southwestern Portland Cement Company; Traffic Managers Conference of California; California Manufacturers Association; and the Commission staff.

Each of the foregoing repliants oppose the granting of the CTA motion, and each supports the scope of the limited study intended to be conducted by the staff as outlined in Exhibit 31-7. All repliants urge that the new distance table be issued no later than January 1, 1975.

Monolith stated that it finds fault with the present constructive mileage formula in that it takes into consideration cost factors such as labor, equipment, and fuel costs. Monolith urged that those factors should be dealt with in specific rate proceedings, not in the constructive mileage formula.

General Portland argued that to incorporate cost figures in the constructive mileage formula would, in essence, make the mileage tariff a rate tariff. It urged that such costs should be "frozen" since the carriers have been granted rate increases over the last few years based on the same costs being increased. Similar comments were made by Southwestern Portland Cement.

Traffic Managers Conference pointed out that, in its opinion, the scope of the original proposed revisions outlined by the staff in its Exhibit 31-1 were so far-reaching that it appeared doubtful that the undertaking could be completed by the proposed date. The Conference believes that at the present time the most important matter for consideration is the substantial changes in actual highway mileages resulting from the improvement of the State Highway system since 1960.

The Commission staff, in its reply to the CTA motion, argued that an immediate decision of the Commission is required if the staff is to keep to its schedule; it is of extreme importance that new roads be incorporated into the distance table, and that the distance table should be made effective at the earliest possible date (January 1, 1975) to reflect these roads; that the overall effect of a change in the basic constructive mileage formula (as

modified by the proposed "F" factor) would be small, as evidenced by the comparisons set forth in its reply and reproduced in Appendix B hereto; and that a Commission decision adopting a revised formula will not be available in time to meet the required schedule to develop a new Distance Table 8 to be effective on January 1, 1975. The staff points out that parties have stated that revised distance tables should be made effective only at the beginning of a calendar year on January 1.

Discussion

It is apparent from the evidence and argument presented by the staff that it concluded that to wait the necessary time for the Commission to decide the issues raised by it in OSH 31 would preclude it from completing its studies in time to permit revision of the distance table on January 1, 1975.

We concur in the recommendations in Exhibit 31-7 as to the scope and extent of the staff studies to be undertaken herein. The reasons for this concurrence are the following:

1. Although substantial increases in hourly wage costs occurred in the period between the establishment of DT5 and the revisions accomplished in DT6 and DT7, the constructive mileage formula was not brought up-to-date in connection with the revisions in DT6 and DT7.
2. The increase in constructive mileages which will result solely from the increases in the cost factors in the constructive mileage formula average 2.6 percent. Constructive mileages would be raised solely on the basis of cost factors unrelated to any changes in elements of highway design (grades and alignment) or highway traffic (congestion and controls).

3. If the original staff proposal were adopted, the highway mileages resulting from application of the updated constructive-mileage formula would be reduced by the so-called "F" factor to bring the mileages so developed back in line with the mileages now incorporated in DT7. It would be an idle act to develop increased constructive mileages based on an updating of the constructive mileage formula and then revise those mileages downward to eliminate the effect of the revised formula.

It is recognized that to the extent costs have heretofore been adjusted downward for the effect of constructive mileage in the basic cost studies which underlie the mileage rates in the various Commission minimum rate tariffs, such adjustments may no longer be appropriate in connection with future revisions of said rates, as a result of the conclusions expressed above.

We have carefully analyzed the CTA motion and conclude that, in light of the conclusions expressed above, the motion should be denied. We have also analyzed the testimony in support of the adoption of an existing actual mileage tariff in lieu of adjusting the constructive mileages in the distance table. The proponent of that proposal did not provide the necessary details of the manner in which the proposal should be accomplished. The record shows that many related changes in the minimum rate tariffs would be required if that proposal is adopted, but the record does not specify how the myriad changes should be accomplished. That proposal should not be adopted at this time.

Findings

1. Prior orders indicate that it is the intent of the Commission that the distance table be revised when there has been a major change in any factor affecting constructive mileage compilations.
2. There have been sufficient changes in the factors affecting constructive mileages to require that the distance table be amended to reflect such changes. The principal change is the opening of a new interstate freeway route on the westside of the San Joaquin Valley

(Interstate 5) which substantially changed the highway mileages between the two major metropolitan areas of the State.

3. The last revision of the distance table was pursuant to Decision No. 74532, and became effective January 1, 1969. It will be reasonable to revise the distance table to reflect current conditions, and such revisions should be accomplished as soon as possible. The earliest date which such revision can be made effective is January 1, 1975.

4. For the reasons expressed in the preceding opinion it will be reasonable to develop constructive mileages in the current revision of the distance table based on the factors in the constructive mileage formula (footnote 2) adopted for the DT7 revisions (Decision No. 74532).

5. The scope of the study to be conducted by the Commission staff shall be the following:

- (a) Proposed Distance Table 8 will be prepared in essentially the same format as Distance Table 7, consisting of Part I - Rules and Tables of Distances, and Part II - Book of Maps.
- (b) An optional Part III consisting of an "all points-to-all points" table will be prepared, but will not be incorporated in DT8.
- (c) New points will be added in accordance with the criteria set forth in Exhibit 31-7. Those points listed in Appendixes B and C to Exhibit 31-6 will be included as Black or Red Points. Tuolumne will be changed from a Red to Black Point. The points listed in Appendix B to Exhibit 31-7 will be cross-referenced in the index.

- (d) The following points will be changed from Black Points to Red Points:

Armona	Fields Landing	Plaster City
Bells Station	Fort Ord (Main Gate)	Poway
Berenda	Graton	Rio Linda
Betteravia	Greeley	San Lucas
Biola	Grimes	San Martin
Boulder Creek	Jamestown	San Miguel
Carr	Junction No. 2406	San Ramon
Castaic	Loomis	Standard
Chualar	Madison	Thornton
Courtland	Mira Loma	Victor
Cutler	Moss Landing	Westend
Famosa	Nitroshell	Windsor
	Norman	Yolo

Indian Hill (Amador County) and Thorn (San Bernardino County) will be established as Red Points.

- (e) The Mileage Basing Point for Metropolitan Zone 101 be relocated from the intersection of Third Street and Fourth Street, San Francisco to the intersection of Third Street and Army Street, San Francisco.
- (f) New roads constructed since the last revision of the distance table and roads which have increased traffic or otherwise are more important will be added.
- (g) The San Diego-Coronado Bridge and the Ord-Bend Bridge will be included.
- (h) Additional constructive mileage to compensate for restricted operations due to ferries, load limits on bridges, or other reasons will be developed for those road segments described in Part 2 of Exhibit 31-8, using the methods described herein.
- (i) The constructive mileage formula for DT8 will be that used in connection with DT7.
- (j) The grade-speed relationship will be that set forth in Exhibit 31-2, page A-3.
- (k) The four additional zones in the San Diego Area directed to be included in the distance table pursuant to Decision No. 71610, dated November 29, 1966 in Case No. 5439 (OSH 1/4/66) will be added.

- (l) Supplementary maps will be replaced with the current local maps available to the staff.
- (m) Rule changes required to implement the above will be made as required.

6. A schedule for completion of studies that will permit the revised distance table to become effective on January 1, 1975 will be reasonable and is required.

Conclusions

- 1. Staff studies as set forth in the above findings should be completed within a time schedule which will permit issuance of a new distance table to become effective January 1, 1975.
- 2. The motion of CTA filed June 14, 1973 should be denied.
- 3. Petition No. 30 filed by CTA should be denied to the extent not granted by the order herein.

O R D E R

IT IS ORDERED that:

- 1. The Commission staff shall continue its studies looking to a revision of the distance table with a view to conclusion of said studies and presentation at a public hearing within sufficient time to permit the revised distance table to become effective January 1, 1975. The scope of the studies shall be that set forth in Finding 5 of the preceding opinion.
- 2. The motion of California Trucking Association filed June 14, 1973 is denied.
- 3. To the extent not granted by Ordering Paragraph 1 hereof, Petition for Modification No. 30 in Case No. 7024 is denied.

4. The proceeding in Order Setting Hearing 31 in Case No. 7024 shall remain open for the receipt of further evidence.

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

Dated at San Francisco, California, this 12th day of SEPTEMBER, 1973.

William J. Lyons President
Mark
Paul
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

LIST OF APPEARANCES

Respondents: Armand Karp, for Rogers Motor Express; J. MacDonald, for California Motor Express; and J. McSweeney, for Delta Lines, Inc.

Petitioner (In Petition No. 30) and Interested Party: Richard W. Smith and Arlo D. Poe, Attorneys at Law, and Ronald C. Broberg, for California Trucking Association.

Interested Parties: Patrick W. Pollock and Russell D. Mieh, for Fibreboard Corporation; Jess J. Butcher, for California Manufacturers Association; Robert R. Seifert, for Kaiser Steel Corporation; Raymond Mosser, for J. C. Penney Company; Ralph O. Hubbard, for California Farm Bureau Federation; A. C. Sargent and M. J. Nicolaus, for Western Motor Tariff Bureau; E. J. Bertana, for Lone Star Industries, Inc., Northern California Division; William D. Mayer and Raymond E. Healy, for Cannery League of California; E. W. Ernst and G. G. Gale, for The Clorox Company; Harvey E. Hamilton and Vernon Hampton, for Certain-Teed Products Corporation; Robert F. Schaefer, for MJB Company; Robert A. Kornel, for Pacific Gas and Electric Company; C. D. Gilbert, for Standard Brands, Inc.; Thomas E. Carlton and Richard A. Starr, for Morton Salt Company; Verne K. Wachnick, for Los Angeles Area Chamber of Commerce; James K. Towne, for Container Corporation of America; Calhoun E. Jacobson, James K. Towne, and Patrick F. Murphree, for Traffic Managers Conference of California; George B. Shannon, for Southwestern Portland Cement; William Mitze, for Riverside Cement Company; Asa Button, for Spreckels Sugar Division, Amstar Corporation; I. W. Anderson, for Pacific Western Industries, Inc.; William T. Barklie, for California Portland Cement Co.; Fred R. Covington and Douglas J. Reynolds, for Kaiser Cement & Gypsum Corporation; Philip G. Blackmore, Jr. and Clarence D. Baille, for California & Hawaiian Sugar Co.; Turnie H. Grinstead, for the Port of San Francisco; Don B. Shields, for Highway Carriers Association; Eugene R. Rhodes, for Monolith Portland Cement Co.; E. O. Blackman, for California Dump Truck Owners Association; Gordon Larsen and Richard W. Timms, for American Can Co.; Harold Sumerfield and Peter J. Coyle, for Bethlehem Steel Corporation; and Ronald W. Behrens and Otha Brooks, for Shell Oil Company.

Commission Staff: George H. Morrison, Robert E. Walker, and Charles F. Gerughty.

APPENDIX B
MILEAGE COMPARISONS
DT7, DT8 USING DT7 FORMULA (CURRENT STAFF PROPOSAL)
AND DT8 USING UPDATED FORMULA INCLUDING "F" FACTOR

<u>Trip Description</u>	<u>Constructive Miles</u>		
	<u>DT7</u>	<u>DT8 Current Staff Proposal</u>	<u>DT8 "F" Factor Formula</u>
	(a)	(b)	(c)
1. MZ 101 to MZ 103	14	13	13
2. MZ 111 to MZ 117	25	25	25
3. MZ 227 to MZ 235	17	18	20
4. MZ 221 to MZ 251 via SSR 91	32	33	33
5. Crestmore to MZ 235	58	60	59
6. Creal to Tunnel Station	85	85	85
7. Tunnel Station to MZ 235	37	36	36
8. Victorville to Cajon	23	22	22
9. Cajon to MZ 235	76	77	76
10. San Jose (MZ 126) to San Francisco (MZ 101)	44	44	44
11. San Jose (MZ 126) to Oakland (MZ 111)	45	45	45
12. Watsonville to San Francisco (MZ 101)	99	100	100
13. Watsonville to Oakland (MZ 111)	94	94	94
14. Fresno to San Francisco (MZ 102)	204	203*	203*
*Includes US 101 Morgan Hill-Gilroy by-pass			
15. San Francisco (MZ 102) to Los Angeles (MZ 235) Old Route Route via New Interstate 5	446	413	411

Source:

Columns (a) {c} Exhibit 31-3, 31-5
{b} Exhibit 31-8