

ORIGINAL

Decision No. 82683

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. 66

SUPPLEMENTAL OPINION AND ORDER

Minimum Rate Tariff 4-B (MRT 4-B) contains minimum rates for the transportation of used household goods and personal effects.

It has come to the Commission's attention that Decision No. 82349 inadvertently ordered that the Standard Form of Endorsement be filed with the Commission by all carriers electing to provide optional carrier obligation under the provisions of MRT 4-B. It was intended that this document be executed by the carriers' insurance companies and be attached to and made a part of all cargo insurance policies of all carriers electing to provide said optional carrier obligation.

In the circumstances, the Commission finds that the necessary corrections should be made by the order herein. A public hearing is not necessary. The Commission concludes that Decision No. 82349 should be amended accordingly.

IT IS ORDERED that:

1. Ordering Paragraph No. 6 to Decision No. 82349 is amended as follows:

"6. Carriers subject to Minimum Rate Tariff 4-B electing to provide optional carrier obligation under the provisions of Items 80 and 91 of Minimum Rate Tariff 4-B shall file with the Commission evidence of a policy of good-until-cancelled cargo insurance in an amount

not less than \$25,000, as provided in Appendix C, which shall remain in effect during all times that the carrier offers to provide optional carrier obligation to the public. The Standard Form of Endorsement set forth in Appendix D to this order shall be executed by the carriers' insurance companies and shall be attached to and made a part of all cargo insurance policies of carriers electing to provide optional carrier obligation under the provisions of paragraph (d) of Item 80 of Minimum Rate Tariff 4-B."

2. Minimum Rate Tariff 4-B (Appendix C to Decision No. 65521, as amended) is further amended by incorporating therein, to become effective April 24, 1974, First Revised Page 10-A attached hereto and made a part hereof.

3. Common carriers subject to the Public Utilities Act, to the extent they are subject also to Decision No. 65521, as amended, and to the extent they elect to provide optional carrier obligation under the provisions of Items 80 and 91 of Minimum Rate Tariff 4-B, are hereby directed to establish in their tariffs the amendments necessary to conform with the further adjustments ordered herein.

4. 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 on not less than one day's notice to the Commission and to the public and shall be made effective April 24, 1974.

5. 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.

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

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

Dated at San Francisco, California, this *2nd* day of April, 1974.

Vernon L. Sturgeon

President
William J. Symons, Jr.

Richard L. ...

...

Commissioners

SECTION 1--RULES (Continued)

ITEM

 REGULATIONS GOVERNING ASSUMPTION OF RESPONSIBILITY
 BY HOUSEHOLD GOODS CARRIERS UNDER OPTIONAL CARRIER
 OBLIGATION LIABILITY PROVIDED IN ITEM 30

§1. No household goods carrier shall contract or agree to provide and assume responsibility for released value of a shipment under the Optional Carrier Obligation liability provided in this tariff, unless and until it has on file with the Commission evidence of a good and sufficient cargo insurance policy, with a liability limit of not less than \$25,000 per shipment, and in such form as the Commission may deem proper, to compensate a shipper or consignee for any loss of or damage to property coming into the possession of the motor carrier in connection with the transportation service performed under that tariff for which the carrier may be held legally liable.

§2. In the event a carrier elects to assume responsibility for a shipment in an amount which exceeds the limits of its cargo insurance policy, the carrier must have in its possession, prior to the commencement of its service, written acknowledgment from its insurance carrier that sufficient additional cargo insurance has been obtained to cover the responsibility to be assumed.

3. The cargo insurance policy shall provide:

- a. Automatic reinstatement of coverage following each loss, so that there is no diminution of the coverage during the effective period of the policy.
- b. Assurance of compliance by the carrier with reference to making compensation to shippers or consignees of all property belonging to shippers or consignees coming into possession of such carrier in connection with transportation service, and with the pertinent rules and regulations of the Public Utilities Commission.

§91

The insurance company shall pay, within the limits of the policy hereinafter provided, any shipper or consignee for all loss of or damage to all property belonging to such shipper or consignee, and coming into possession of the carrier in connection with its transportation service, for which loss or damage the carrier may become legally liable, regardless of whether the carrier's facilities used in connection with the transportation of property hereby insured are specifically described in the policy or not. The liability of the insurance company extends to such losses or damages, whether occurring on the route or in the territory authorized to be served by the carrier or elsewhere.

Within the limits of liability hereinafter provided, it is further understood that no condition, provision, stipulation, or limitation contained in the policy, or any other endorsement thereon or violation thereof, shall affect in any way the right of any shipper or consignee, or relieve the insurance company from liability for any claim for which the carrier may be held legally liable to compensate shippers or consignees, irrespective of the financial responsibility or lack thereof or insolvency or bankruptcy of the carrier. The carrier agrees to reimburse the insurance company for any payment made by the insurance company on account of any loss or damage involving a breach of the terms of the policy and for any payment that the insurance company would not have been obligated to make under the provisions of the policy.

(Continued)

 § Change
 * Addition

) Decision No.

82683

EFFECTIVE

Correction

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