

CP

Decision No. 83436

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Application No. 55050
(Filed July 19, 1974)

In the Matter of the Investigation)
into the rates, rules, regula-)
tions, charges, allowances and)
practices of all common carriers,)
highway carriers and city 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 No. 2).)

Case No. 5432
(Petition for Modification
No. 814)
(Filed July 19, 1974)

And Related Matters

) Case No. 5436, Petition No. 175
)
) Case No. 5439, Petition No. 222
)
) Case No. 5441, Petition No. 308
)
) Case No. 5603, Petition No. 158
)
) Case No. 7783, Petition No. 101
)
) Case No. 7857, Petition No. 110
)
) Case No. 7858, Petition No. 182
)
) (Filed July 19, 1974)
)

OPINION AND ORDER

Various common carriers engaged in intrastate transportation within California participate in National Motor Freight Classification NMF 100 A, hereinafter referred to as the Governing Classification, for class ratings and other provisions. Also, certain Commission minimum rate tariffs are subject to the class ratings and/or other provisions of such classification.

By Application No. 55050, National Motor Freight Traffic Association, Inc., Agent, seeks authority, on behalf of such common carriers, to publish specific revisions in the Governing Classification.¹ By the above petitions, California Trucking Association seeks to make the proposed ratings and provisions applicable to certain Commission minimum rate tariffs.² Petitioner requests that all common carriers be directed to establish in their respective tariffs such modifications as may be prescribed by the Commission's order in these proceedings, including relief from the long- and short-haul provisions of Section 460 of the Public Utilities Code.

Applicant and petitioner, hereinafter referred to as applicants, state that the Governing Classification is periodically revised to meet the changing needs of commerce. Applicants aver that the procedures available to shippers and carriers to initiate such revisions, to participate in their disposition and to protect their interests are generally known to the carriers and shippers.

¹The proposed changes, which are provided in Supplement 9 to the Governing Classification, are set forth in Exhibit A and related justifications are set forth in Exhibit B, both of which are attached to the application.

²The tariffs are Minimum Rate Tariff 1-B (East Bay Drayage), 2 (General Commodities Statewide), 9-B (San Diego Drayage), 11-A (Uncrated New Furniture Statewide) and 19 (San Francisco Drayage).

Applicants allege that the sought revisions have been authorized by the National Classification Board, after due process, and generally became effective August 30, 1974, for tariffs covering areas other than California and that such revisions, if authorized, would permit maintenance of uniformity of classification provisions in California with those in the rest of the nation.

A review of applicants' proposed revisions indicates that they pertain principally to (1) clarification of existing descriptions of articles; (2) cancellation of obsolete provisions; (3) revision of ratings for certain commodities which are more reflective of their transportation characteristics. These principal changes are within the framework of the criteria heretofore announced by this Commission for establishing revisions in the Governing Classification of California intrastate traffic.³

Copies of the application and petitions were mailed to various chambers of commerce, shipper organizations, carrier representatives and other interested parties on or about July 18, 1974. The application and petitions were listed on the Commission's Daily Calendar of July 23, 1974.

By letter dated August 9, 1974, R. N. Bona, Regional Traffic Manager, Mobil Oil Corporation, objected to the proposed classification changes on plastic egg cartons (Item 41520-A, Sub 2, of Supplement 9 to the Governing Classification). He stated that if these amendments are allowed to become effective on California intrastate traffic, such changes would have a detrimental effect on traffic presently being handled by motor carriers within the State of California and would seriously jeopardize the ability of Mobil Oil Corporation to compete with the manufacturers of pulp egg cartons.

³See Decision No. 68324 in Case No. 5432, et al., 63 Cal.P.U.C. 728.

By letter dated August 9, 1974, Gerald V. Smith, Bakersfield Express, Inc. (Bakersfield) also objected to the proposed classification changes on plastic egg cartons (Item 41520-A, Sub 2, of Supplement 9 to the Governing Classification). He stated that they have hauled this commodity profitably for four years; that they have not experienced claims for damage; that the increase will require manufacturers of the product to buy or lease their own equipment in order to be competitive; and that the carrier's revenue is based on hauling of the commodity concerned only.

In the circumstances, the Commission finds that:

1. The proposed classification changes on plastic egg cartons in Item 41520-A, Sub 2, of Supplement 9 to the Governing Classification should not be authorized at this time.

2. Except as provided in Finding 1, the proposed classification revisions set forth in Application No. 55050 are reasonable and, to the extent that said revisions will result in increases, such increases are justified.

3. The proposed ratings and rule which applicant will be authorized to establish, except to the extent that said ratings and rule are different from and are superseded by present exceptions contained in the respective minimum rate tariffs and the governing exception ratings tariff, are suitable to govern the minimum rates established by the Commission.

4. Except as provided in Finding 1, the rates and charges resulting from the application of the aforesaid revisions are, and for the future will be, the just, reasonable and nondiscriminatory minimum rates and charges for the transportation of property by highway carriers subject to the applicable minimum rate tariffs.

Based on the above findings, the Commission concludes that the proposed classification changes set forth in Application No. 55050 should be authorized, and that such revisions should be adopted and approved, to the extent indicated in the ensuing order, to govern the minimum rates established by the Commission. The Commission further concludes that the involved participating common carriers in applicant's National Motor Freight Classification NMF 100 A should be authorized to depart from the provisions of Section 460 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations.

IT IS ORDERED that:

1. National Motor Freight Traffic Association, Inc., Agent, on behalf of the involved common carriers participating in National Motor Freight Classification NMF 100 A is authorized to establish and publish the classification changes set forth in Application No. 55050, except the provisions of Item 41520-A, Sub 2, of Supplement 9 in said application, to become effective not earlier than October 2, 1974, on not less than one day's notice to the Commission and to the public.
2. Except as otherwise provided in Ordering Paragraph 6 hereof, the classification ratings and rule authorized herein are approved and adopted as just, reasonable and nondiscriminatory ratings and rule to govern the rates and rules promulgated by the Commission in Minimum Rate Tariffs 1-B, 2, 9-B, 11-A and 19.
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 October 2, 1974, on one day's notice to the Commission and to the public; and

tariff publications which are authorized but not required to be made by common carriers as a result of the order herein may be made effective not earlier than October 2, 1974, and may be made effective on not less than one day's notice to the Commission and to the public if filed not later than December 2, 1974..

4. The classification ratings and rule authorized to be established by Ordering Paragraph 2 hereof are authorized to be made applicable also for the transportation of:

- (a) Commodities for which minimum rates have not been established, or
- (b) Commodities which are subject to higher rates than, or more restrictive provisions than, the minimum rates or provisions otherwise applicable, or
- (c) Commodities for which rates have been established based upon Minimum Rate Tariffs 1-B, 2, 9-B, 11-A and 19.


5. Any provisions currently maintained in common carrier tariffs which are more restrictive than, or which produce charges greater than those contained in Minimum Rate Tariffs 1-B, 2, 9-B, 11-A and 19 are authorized to be maintained in connection with the ratings and rule authorized and directed to be established herein.


6. Except as provided in Ordering Paragraph 5 hereof, common carriers are not authorized to publish ratings and rules which are different from, and are superseded by, present exceptions contained in Exception Ratings Tariff 1 and Minimum Rate Tariffs 1-B, 2, 9-B, 11-A and 19.


7. Common carriers, in establishing and maintaining the ratings and rule authorized hereinabove, are hereby authorized to depart from the provisions of Section 460 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are hereby modified only to the extent necessary to comply with this order; and schedules containing the ratings and rule published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

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

Dated at San Francisco, California, this 11th day of September, 1974.



President




Commissioners

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

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