

ORIGINALDecision No. 84044

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of ERNEST H. BEAN and VERA H. BEAN, a co-partnership doing business as E. H. BEAN TRUCKING, for an order to depart from the rates, rules, and regulations of Minimum Rate Tariff #1-B, Minimum Rate Tariff #9, Minimum Rate Tariff #2, Minimum Rate Tariff #19, and Classification #1 under the provision of the Highway Carrier's Act.

Application No. 55372
(Filed December 11, 1974)

O P I N I O N

Applicants are authorized to operate as a radial highway common carrier, highway contract carrier, and a household goods carrier.

Applicants request authority to quote rates and assess charges based on units of measurement different from those specified in the otherwise governing provisions of Minimum Rate Tariffs 1-B (East Bay Drayage), 2 (Statewide general commodities), 9-B (San Diego Drayage), and 19 (San Francisco Drayage). This minimum rate relief is sought with respect to the following traffic:

1. Commodities, the transportation of which because of size, weight, or shape require the use of special equipment, and commodities not of unusual size, weight, or shape when their transportation is incidental to the transportation by applicant of commodities which by reason of size, weight, or shape require special equipment.

2. The entire contents of a plant or warehouse from an old location to a new location which involves the transportation of some articles which because of their size, weight, or shape require the use of special equipment, together with all other items involved in the same move which are not of such character.

Applicants perform transportation service requiring the use of specialized equipment and highly trained employees. In certain instances, because of the nature of the work or the requirements of the shipper, it is preferable to quote and assess rates on a basis different from those set forth in the minimum rate tariffs. Two general types of transportation are involved which are broadly described as "heavy hauling" and the movement of the entire contents of an industrial plant.

Heavy hauling requires specialized equipment and highly trained personnel. This type of service involves much of the transportation of equipment, machinery, and materials to construction sites and existing plants. Forklifts, cranes, or other equipment must be furnished by applicants to load and unload. Frequently, the most important feature of the service is the rigging performed by the applicants' employees or the use of special equipment furnished by applicants, neither of which services are adequately compensated for under the minimum rates. After the time involved and the extra and specialized equipment necessary are determined, bids are made to the shipper on the basis of total charges. The charges may be quoted on a lump sum basis for the job, on a per load basis, on an hourly basis, or on a hundredweight basis, depending upon the circumstances surrounding the transportation and the requirements of the shipper. Relief is sought to make such bids on other than a hundredweight basis. Applicants assert that in most instances the charges assessed for heavy hauling are well in excess of the minimum rates. When

charges computed on the basis of the minimum rates are greater than those quoted, the minimum rates will be collected.

Applicants state that movement of the entire contents of a plant or warehouse to a new location is infrequent. However, such movement usually requires accessorial services of removing and setting up storage racks or bins and the use of special loading and unloading equipment. Time, rather than weight, is the more important factor to the carrier in determining its charges. Charges for such moves are usually quoted on a lump sum per job or time basis. The charges assessed for plant moves are generally in excess of the minimum rates on a hundredweight basis.

The sought relief involves a majority of applicants' present business. Similar relief was granted in Decision No. 66868 dated February 25, 1964 in Application No. 45966 and Decision No. 83265 dated August 6, 1974 in Application No. 54973. There are no protests.

Findings and Conclusion

1. Applicants engage in transportation of a specialized nature requiring the use of specially designed or constructed equipment and the performance of accessorial services not ordinarily encountered by carriers engaged in the transportation of general commodities.

2. In connection with the specialized transportation performed by applicants, it is required by the nature of the service or the needs of the shipper to quote and assess rates in units of measurement different from those prescribed in the otherwise governing minimum rate tariffs of the Commission.

3. Applicants propose to assess charges no less than those resulting under the applicable minimum rate tariffs and to keep such records as will show that the minimum rates have been protected in all instances.

4. Applicants' proposal to quote rates and assess charges in units of measurement different from those prescribed in the otherwise governing minimum rate tariffs has been shown to be reasonable.

The Commission concludes that Application No. 55372 should be granted. Since transportation conditions justifying the relief sought herein may change, the authority granted herein will be made to expire in one year, unless sooner canceled, modified, or extended.

O R D E R

IT IS ORDERED that:

1. Ernest H. Bean and Vera H. Bean, doing business as E. H. Bean Trucking, are hereby authorized to quote rates and assess charges in units of measurement different from that in which the minimum rates and charges are stated in Minimum Rate Tariffs 1-B, 2, 9-B, and 19 with respect to the following transportation services:

- (a) Commodities, the transportation of which because of size, weight, or shape require the use of special equipment, and commodities not of unusual size, weight, or shape when their transportation is incidental to the transportation by applicant of commodities which by reason of size, weight, or shape require special equipment.
- (b) The entire contents of a plant or warehouse from an old location to a new location which involves the transportation of some articles which, because of their size, weight, or shape require the use of special equipment, together with all other items involved in the same move which are not of such character.

2. The freight charges assessed under the authority granted in Ordering Paragraph 1 shall not be less than those which would have been assessed had the rates and charges stated in the otherwise governing minimum rate tariffs been applied.

3. Ernest H. Bean and Vera H. Bean, doing business as E. H. Bean Trucking, shall retain and preserve copies of its freight bills, subject to the Commission's inspection, for a period of not less than three years from the dates of issuance thereof; and that each such copy of its freight bills shall have attached thereto a statement of the charges which would have been assessed if the minimum rates had been applied and the full information necessary for an accurate determination of the charges under the otherwise governing minimum rates.

4. The authority granted herein shall expire one year after the effective date of this order unless sooner canceled, modified, or extended.

The effective date of this order is the date hereof.

Dated at San Diego, California, this 4th
day of FEBRUARY, 1975.

William L. Sturgeon
President
William Sturgeon
Leonard Rose
Commissioners