

Decision No. 84046**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 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 825
(Filed October 11, 1974)

And Related Matters.

Case No. 5439, Petition 232

Case No. 5441, Petition 322

Case No. 7783, Petition 106
(Filed October 11, 1974)

(See Appendix A for Appearances.)

O P I N I O N

In the captioned petitions, California Manufacturers Association (CMA) alleges as follows:

The Commission heretofore has prescribed minimum rates, rules, and regulations for the transportation of property by highway carriers over the public highways in this state. Minimum rates and rules for the transportation of general commodities are contained in Minimum Rate Tariffs 2, 9-B, 1-B, 19 and 15. The Commission in Case No. 7024 issued its Order Setting Hearing No. 31 on June 12, 1972. OSH 31 was issued by the Commission to establish hearings for the receipt of evidence with respect to the nature and extent of, and the appropriate methods of accomplishing, future changes in the constructive mileages, rules, and provisions of

Distance Table 7. On September 12, 1973, the Commission issued an opinion and an interim order in its Decision No. 81862. In such decision the Commission concluded that staff studies should be completed within a reasonable time schedule which will permit the issuance of a new distance table to become effective January 1, 1975. In its Decision No. 81862, the Commission stated:

"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 west side of the San Joaquin Valley (Interstate 5) which substantially changed the highway mileages between the two metropolitan areas of the state."

The petitions herein assert that since Interstate Route No. 5 has been open to highway carriers for over two years it is unreasonable for shippers to expect further delay of the issuance of Distance Table 8 without affording immediate commensurate relief. Petitioner argues that carriers are enjoying increased revenues due to a constructive mileage reduction of approximately 33 miles between the Los Angeles and San Francisco areas. It is unreasonable to expect the shipping public to experience further delays in the publication of the new distance table beyond January 1, 1975.

Petitioner requests that the class rates between the San Francisco metropolitan area and the Sacramento - North Sacramento area, on the one hand, and the Los Angeles metropolitan area, on the other hand, (Item 510 series of Minimum Rate Tariff 2) be reduced by one mileage bracket. The present point-to-point class rates in Item 510 are the same as the mileage class rates for the 400-425 mileage bracket. Petitioner's proposal would reduce such rates to the equivalent of the 375 to 400-mile class rates. The present constructive mileage between Metropolitan Zone 102 (San Francisco) and Metropolitan Zone 235 (Central Los Angeles) is 446 miles.

Public hearing was held in the matters herein on October 22, 1974, at which time petitioner withdrew Petition 232 in Case No. 5439, Petition 322 in Case No. 5441, and Petition 106 in Case No. 7783. Those petitions were withdrawn because the tariffs are not governed by the Distance Table.^{1/}

Further hearing was held on November 27, 1974, at which time Petition 825 in Case No. 5432 was submitted. Evidence in support of the petition was presented by petitioner's Director of Transportation and Distribution. The Director of California Trucking Association's Division of Transport Economics testified in opposition to the relief sought.

The evidence in support of the relief sought in Petition 825 essentially iterates the statements in the petition as set forth above. In effect, petitioner seeks adjudication of a particular issue under consideration in OSH 31 in Case No. 7024, involving the issuance of a new Distance Table, and in OSH 806 in Case No. 5432, in which changes in MRT 2 will be considered which result from the distance table revisions adopted in OSH 31. An Examiner's Proposed Report in OSH 31 was issued on November 20, 1974, and that matter will be decided following the receipt of exceptions to the proposed report and replies thereto.

In the circumstances, the Commission finds that the single issue raised in Petition 825 in Case No. 5432 is one which should be considered in OSH 806 in Case No. 5432 in light of all other changes in MRT 2 required as a result of the adoption of revised constructive mileages in Distance Table 8.

^{1/} The tariffs are Minimum Rate Tariff 9-B (San Diego Drayage), Minimum Rate Tariff 19 (San Francisco Drayage), Minimum Rate Tariff 1-B (East Bay Drayage), and Minimum Rate Tariff 15 (Vehicle Unit Rates).

The Commission concludes that Petition 825 should be denied. CMA may submit its proposals concerning the specific rate adjustments in MRT 2 requested herein in OSH 806 in Case No. 5432.

O R D E R

IT IS ORDERED that:

1. Petitions Nos. 232, 322, and 106 in Cases Nos. 5439, 5441, and 7783, respectively, are dismissed.
2. Petition No. 825 in Case No. 5432 is denied.

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

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

Vernon L. Sturgeon
President
William J. ...
Leonard ...
Commissioners

APPENDIX A

LIST OF APPEARANCES

Petitioner: Jess J. Butcher, for California Manufacturers Association

Respondents: Frank J. Corsello, for Pacific Motor Trucking Co.;

Richard D. Stokes, for Haslett Company; Allan D. Smith and

John McSweeney, for Delta Lines; T. R. Dwyer, for Delta Consoli-

dated Industries; Joe McDonald, Lowell E. Christie, and Wayne

Varozza, for California Motor Express; Armand Karp, for Rogers

Motor Express; John Odoxta, for Shippers-Imperial; E. A. Anderson

and Lee Pfister, for Willig Freight Lines; John Briggs, for

PCP Transportation Company; C. E. Goacher, for Di Salvo Trucking

Co.; Ray V. Mitchell and Richard R. McIntosh, for System 99;

James Tonte, for Semper Truck Lines; Norman Crisp, for Crescent

Truck Lines; Edward M. Daigh, for Morning After Delivery Service;

Theo. Wright, Jr., for Santa Fe Transportation Company; and

George James, for C. Line Express.

Interested Parties: R. W. Smith, Attorney at Law, J. C. Kaspar, and

H. W. Hughes, for California Trucking Association; Don B. Shields,

for Highway Carriers Association; Ralph O. Hubbard, for California

Farm Bureau Federation; William D. Mayer and R. E. Healy, for

Canners League of California; Calhoun E. Jacobson, for Traffic

Managers Conference of California; Harvey E. Hamilton and

Vernon Hampton, for Certain-Teed Products Corporation; Asa Button,

for Amstar Corp. - Spreckels Sugar Division; H. Wolff and

P. W. Pollock, for Fibreboard Corporation; James Orear, for

California and Hawaiian Sugar Company; J. M. Cunningham, for

for Bethlehem Steel Corporation; Robert A. Kormel, for Pacific

Gas and Electric Company; M. J. Nicolaus and R. S. Gleitz, for

Western Motor Tariff Bureau; Thomas E. Carlton, for Morton Salt;

Marshall Stein and Delmar D. Watkins, for Shell Oil Company;

Howard W. Haage, for National Can Corporation; R. M. Zaller, for

Can Manufacturers Institute and Continental Can Company, Inc.;

Cornelius F. Phelan, for General Electric; J. R. Steele, for

Leslie Foods, Division of Leslie Salt Company; Dan Sweeney,

Attorney at Law, for National Small Shipments Traffic Conference

and Drug and Toilet Preparations Traffic Conference; and R. W.

Eberle, for Crown Zellerbach Corporation.

Commission Staff: E. Q. Carmody and Clyde T. Neary.