Decision No. 84911

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 for Modification No. 772
(Filed October 25, 1973)

And Related Matters.

Case No. 5330, Pet. No. 78
Case No. 5433, Pet. No. 48
Case No. 5436, Pet. No. 152
Case No. 5437, Pet. No. 256
Case No. 5438, Pet. No. 93
Case No. 5439, Pet. No. 194
Case No. 5440, Pet. No. 87
Case No. 5441, Pet. No. 281
Case No. 5603, Pet. No. 135
Case No. 5604, Pet. No. 40
Case No. 7857, Pet. No. 89
Case No. 8808, Pet. No. 25
(Filed October 25, 1973)

Ronald C. Broberg and H. Hughes, for California
Trucking Association, petitioner.

Armand Karp, for Rogers Motor Express, respondent.

J. M. Cunningham, for Bethlehem Steel Corporation;

Gordon Gale, for The Clorox Company; E. O.

Blackman, for California Dump Truck Owners

Association; B. R. Garcia and Richard L. Bredeman,
for B. R. Garcia Traffic Service; James Foote,
by E. O. Blackman, for Associated Independent
Owner-Operators, Inc.; Jess J. Butcher, for
California Manufacturers Association; E. A. Curcio,
by A. A. Wright, for Standard Oil Company of

California; William D. Mayer, for Del Monte Corporation; Richard Austin, for Kaiser Cement and Gypsum Corpporation; Asa Button, for Amstar Corporation-Spreckels Sugar Division; M. J. Van Matre, for State of California - Department of General Services; Jim Steele, for Leslie Foods; and Howard W. Haage and Donald Geddes, for National Can Corporation; Interested parties. Charles F. Gerughty, for the Commission staff.

<u>o p i n i o n</u>

In these proceedings California Trucking Association, petitioner, seeks amendment of the several minimum rate tariffs issued by the Commission that contain alternative application of common carrier rate provisions.

Public hearing was held before Examiner Mallory at San Francisco on July 31, 1975, and the matters were submitted.

Oral and documentary evidence was presented by a rate analyst employed by petitioner. The witness stated that, pursuant to the provisions of Section 3663 of the Public Utilities Code, the Commission has provided in the minimum rate tariffs in issue items suthorizing highway carriers to apply alternatively the rates of common carriers in lieu of the rates specifically set forth in

MRT 1-B (East Bay Drayage)

MRT 2 (General Commodities-Statewide)

MRT 3-A (Livestock) MRT 4-B (Household Goods)

MRT 8 (Fresh Fruits and Vegetables)
MRT 9-B (San Diego Drayage)
MRT 10 (Cement)
MRT 11-A (Uncrated New Furniture)
MRT 12 (Automobiles)

MRT 14-A (Hay and Grain) MRT 17-A (Dump Truck Zone Rates)

MRT 18 (Mobile Homes)
MRT 19 (San Francisco Drayage)
MRT 20 (Dump Truck Zone Rates)

¹/ The minimum rate tariffs in question are:

the Commission tariffs. The witness asserted that it is necessary in order to achieve proper and uniform interpretation and enforcement of the tariff items in question that the language of such items be relatively consistent and that the items uniformly reflect the legislative intent set forth in the applicable statutes. The witness pointed out that Section 3663²/ provides that the minimum rates established by the Commission shall not exceed the "rates of common carriers by land", whereas the tariffs provide that rates of common carriers may be applied "except rates of coastwise common carriers".

The witness proposed that appropriate changes be made in the language of the tariff items to cancel reference to the exception relating to coastwise common carriers by vessel, and to insert, in place thereof, a statement that rates of common carriers by land can be applied in lieu of rates specifically named in the tariffs. The specific tariff proposals of petitioner are set forth in Exhibit 772-1. The witness testified that if the proposed changes in Exhibit 772-1 are adopted, additional changes in related items and tariff definitions should also be made, as specifically set forth in Exhibit 772-2. The witness testified that his proposals would not change the current interpretation or application of the tariff items in issue.

The witness testified that petitioner originally proposed similar revisions of MRT 6-A and MRT 7. Since the filing of the petitions, MRT 6-A has been replaced by MRT 6-B and MRT 7 has been replaced by MRT 7-A. Each of the new tariffs contains tariff provisions as proposed in the petitions.

^{2/} Section 3663 reads as follows:

[&]quot;In the event the commission establishes minimum rates for transportation services by highway permit carriers, the rates shall not exceed the current rates of common carriers by land subject to Part 1 of Division 1 for the transportation of the same kind of property between the same points."

The director of transportation and distribution of California Manufacturers Association (CMA) testified that it is the opinion of that association that the proposed tariff changes are not necessary for the proper interpretation and enforcement of the tariffs in issue and, therefore, the petitions should be denied. The witness proposed, if the petitions are granted, that other changes in the language of the tariff items in issue also be made in the interest of achieving uniformity with the statutory language. The assistant traffic manager of Del Monte Corporation testified that, in his opinion, the CMA proposals would materially change the application of tariff items and that the CMA proposals encompass issues that are raised in Case No. 5432 (Petition 795 and OSH 839) et al., which are now before the Commission. $\frac{3}{}$ The examiner ruled that the CMA proposals exceeded the scope of the petitions herein and that the CMA proposals should be considered in Case No. 5432 (Petition 795 and OSH 839). That ruling is affirmed.

The Commission staff stated that the costs of printing and postage to accomplish the requested changes are large (on the order of \$100,000) and that the proposed changes do not make any material change in the application or enforcement of the tariff items; therefore, the staff recommended that if the petitions are granted, the order not require that the tariff changes be accomplished at one time, but that the changes be made at such time as they may be consolidated with other changes on the same tariff pages as required in subsequent Commission decisions. CMA and California Dump Truck Owners Association joined in the foregoing request. CTA had no objection to the request if the tariff changes are not delayed. CTA suggested a time limit of one year to accomplish the necessary tariff revisions.

^{3/} Adjourned hearings in Case No. 5432 (Petition 795 and OSH 839) are scheduled for October 8, 1975.

In the circumstances the Commission finds that CTA's proposals are justified and are reasonable and necessary rules to govern the application of the alternative application of common carrier rate provisions of the minimum rate tariffs in issue. The Commission concludes that the petitions herein should be granted and that MRT 2 should be amended by the order which follows and that other Commission tariffs (except MRT 2) should be amended to accomplish the tariff changes proposed in Exhibits 772-1 and 772-2 concurrently with other changes on the same tariff pages adopted in subsequent orders of the Commission. The tariff revisions proposed herein shall, in any event, be established within one year of the effective date of this order.

ORDER

IT IS ORDERED that:

- 1. Minimum Rate Tariff 2 (Appendix D to Decision No. 31606, as amended) is further amended by incorporating therein to become effective October 16, 1975, the revised pages set forth in Appendix A attached hereto and by this reference made a part hereof.
- 2. Common carriers subject to the Public Utilities Act, to the extent that they are subject to Decision No. 31606, as amended, are hereby directed to comply with the revised tariff rules and definitions established berein.
- 3. Tariff publications required or authorized 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 may be made effective not earlier than the tenth day after the effective date of this order, on not less than ten days' notice to the Commission and to the public; such tariff publications as are required shall be made effective not later than October 16, 1975; and as to tariff

publications which are authorized but not required, the authority shall expire unless exercised within sixty days after the effective date of this order.

- 4. Common carriers, in establishing and maintaining the emendments authorized hereinabove, are hereby authorized to depart from the provisions of Section 461.5 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.
- 5. In all other respects Decision No. 31606, 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 16 Th	<u> </u>
day of	SEPTEMBER	1975.	en e	A CONTRACTOR OF THE STATE OF TH	

APPENDIX A

LIST OF REVISED PAGES TO MINIMUM RATE TARIFF 2

TWENTY-SEVENTH REVISED PAGE 12

SIXTEENTH REVISED PAGE 12-A

EIGHTEENTH REVISED PAGE 23

FIFTEENTH REVISED PAGE 24

TENTH REVISED PAGE 25

FIRST REVISED PAGE 25-A

(END OF APPENDIX A LIST)

TWENTY-SIXTH REVISED PAGE.....12

SECTION 1--RULES OF GENERAL APPLICATION (Continued)

ITEM

DEFINITION OF TECHNICAL TERMS (Continued) (Itoms 10, 11 and 12)

LOW BED TRAILER means trailing equipment, other than van-type, having its principal load carrying bed or platform not more than 42 inches above ground or street level.

"ULTIPLE LOT SHIPHEST means a shipmont transported in accordance with the provisions of Item 85.

MULTIPLE SERVICE SHIPMINT means a single prepaid shipment consisting of (a) more than one component part picked up by the carrier and (b) more than one component part delivered to (1) one consignee at more than one point of destination or (2) more than one consignee at one or more points of destination.

PALLETIZED SHIPPHENT means a shipment tendered to and transported by the carrier on pallets (elevating-truck pallets or platforms or lift-truck skids, with or without standing sides or ends, but without tops).

PRICIT SHIPMENT means a shipment which because of its width, length, height, weight or size, requires special authority from a governmental agency regulating the use of highways, roads or streets for the transportation of such shipment in whole or in part.

PICKUP AND DELIVERY CHARGE means the full charge applicable without the deduction authorized by Item 110.

POINT OF DESTINATION means the precise location at which property is tendered for physical delivery into the custody of the consignee. All sites within a single business place of one consignee shall be considered as one point of destination. A business place of one consignee shall include only contiguous property which shall not be deemed separate if intersected only by public street or thoroughfare.

POINT OF ORIGIN means the precise location at which property is physically delivered by the consignor into the custody of the carrier for transportation. All sites within a single business place of one consignor shall be considered as one point of origin. A business place of one consignor shall include only contiguous property which shall not be deemed separate if intersected only by public street or thoroughfare.

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POOL SHIPMINT means a shipment consisting of component parts which are for reshipment to two or more points of destination, such shipment being consigned to:

- A carrier with instructions for unloading, distribution and delivery of one
- or more component parts to consignees, their agents, or to other carriers; or 2.— A consignee (other than a carrier) in connection with which pool shipment a carrier is instructed to unload, distribute and deliver one or more component parts to the consignee, subconsignees, their agents or to other carriers.

"he term "delivery" as used in this definition means relinguishing the property to the consignee, his agent, or another carrier entitled to receive such property, whether at the point of distribution or elsewhere.

POWER EQUIPMENT means any gasoline, diesel, electric or gas driven equipment including electric powered cranes and lift-truck equipment.

gorallitian means a point at which facilities are maintained for the loading of property into or upon, or the unloading of property from rail cars. It also includes truck loading facilities of plants or industries located at such rail "wloading or unloading point.

RATE means the figure stated in cents, dollars and cents, or fractions thereof, including the charge and, also, the ratings, minimum weight and rules governing, and the accessorial charges applying in connection therewith to be used in computing the charge on property transported.

SAME TRAMSPORTATION means transportation of the same kind and quantity of property between the same points, and subject to the same limitations, conditions and privileges, but not necessariy in an identical type of equipment.

(Continued in Item 12)

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SECTION 1 -- RULES OF GENERAL APPLICATION (Continued)

ITEM

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DEFINITION OF TECHNICAL TERMS (Concluded) (Items 10, 11 and 12)

SPLIT DELIVERY SHIPMINT means a shipment consisting of two or more component parts delivered to (a) one consignee at more than one point of destination, or (b) more than one consignee at one or more points of destination, the composite shipment weighing (or transportation charges computed upon a weight of) not less than 5,000 pounds, said shipment being shipped by one consignor from one point of origin. (See Note)

NOTE.—All transportation charges must be prepaid and, except as provided in paragraph 3 of Item 255, charges shall be billed to and collected from only one debtor.

SPLIT PICKUP SHIPMINT means a shipment consisting of two or more component parts picked up by a carrier within a period of two calendar days for one person, firm or corporation at more than one point of origin, the composite shipment weighing (or transportation charges computed upon a weight of) not less than 5,000 pounds, said shipment being consigned and delivered to one consignee at one point of destination. (See Note)

NOTE. -- In addition to the component parts picked up by the carrier, a split pickup shipment will include other component parts delivered to carrier u established depot for the person, firm or corporation for whom carrier made such pickups.

STRINGING means the progressive delivery of a shipment at spaced intervals or designated points along a predetermined route.

SOTEAM TRACK means a point at which property may be loaded into, or upon, or unloaded from rail cars by the public generally.

TEPPERATURE CONTROL SERVICE means the protection from heat by the use of ice (either water or solidified carbon dioxide), by mechanical refrigeration, or by release of liquefied gases.

VEHICULAR ELEVATOR means elevator capable of lifting or lowering carrier's equipment to different levels for loading or unloading.

VEHICULAR RAMP means structures enabling carrier's equipment to be driven to different levels for loading or unloading.

WHARF means any wharf, berth, pier, quay, landing or other structure to which a vessel may make fast and that area or structure (other than a public utility warehouse) immediately adjacent, which is used for transit storage, loading, unloading, assembling, or distribution of goods or merchandise.

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SECTION 1RULES OF GENERAL APPLICATION (Continued)	ITE
ALTERNATIVE APPLICATION OF RATES NAMED IN THIS TARIFF	
In the event two or more rates are named in this tariff for the same transportation, the lower rate shall apply. In the event a combination of rates makes a lower aggregate through rate or charge than a single rate, such lower combination of rates shall apply.	19
ALTERNATIVE APPLICATION OF COMMON CARRIER RATES	
Ø(A) Rates of common carriers oby land** may be applied in lieu of the rates provided in this tariff, when such common carrier rates produce a lower aggregate charge for the same transportation than results from the application of the rates herein provided. (See Notes 1, 2, 3, 4 and 5)	
Ø0(b) Team track-to-team track rates of common carriers by railroad ""may be applied in lieu of the rates provided in this tariff, in connection with transportation between established depots in the same cities or unincorporated communities in which such team tracks are located, when such team track-to-team track rates produce a lower aggregate charge than results from the application of the rates provided in this tariff for depot-to-depot movements. (See Notes 1, 2, 3, 8 and 5)	
NOTE 1When a rail carload rate is subject to varying minimum weights, dependent upon the size of the car ordered or used, the lowest minimum weight obtainable under such minimum weight provisions may be used in applying the basis provided in this item. When the rail carload rate is subject to a specified minimum weight, subject to the condition that if the car is loaded to full visible or weight carrying capacity, actual weight will apply, or to actual weight but not less than a lesser carload minimum weight, the actual weight will apply subject to the lesser carload minimum weight, if any.	ø2
NOTE 2When rail switching charges are applicable in connection with line-haul movements by rail and the gross weight of the shipment exceeds the applicable carload minimum weight, only one rail switching charge shall be assessed.	
NOTE 3In determining the aggregate charge by railroad for the transportation of commodities accorded temperature control service, the charge for temperature control service shall be the charge for Mechanical Refrigeration Service named in the applicable rail tariff or tariffs.	
NOTE 4.—In applying the provisions of this item, a rate no lower than the common carrier rate and a weight no lower than the actual weight or published minimum weight (whichever is the higher) applicable in connection with the common carrier rate shall be used.	
NOTE 5 For the purpose of applying the provisions of this item, the definitions of Point of Destination and Point of Origin set forth in Item II will be applicable.	
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SECTION 1--RULES OF GENERAL APPLICATION (Continued)

ITEM

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ALTERNATIVE APPLICATION OF COMBINATIONS WITH CARRIER RATES

gWhen lower aggregate charges result, rates provided in this tariff may be used in combination with rates of common carrier oby land, **for the same transportation as follows:

- (a) When point of origin is located beyond railhead or an established depot and point of destination is located at railhead or an established depot, add to the common carrier rate applying from any (1) team track, (2) established depot or (3) private railhead which is owned or leased by the party who contracts with the carrier for the performance of the transportation service, to point of destination the rate provided in this tariff, applicable to the weight of the entire shipment, for the distance from point of origin to such team track, depot or private railhead from which the common carrier rate applies. (See Notes 1, 2, 3 and 4)
- (b) When point of origin is located at railhead or an established depot and point of destination is located beyond railhead or an established depot, add to the common carrier rate applying from point of origin to any (1) team track, (2) established depot or (3) private railhead which is owned or leased by the party who contracts with the carrier for the performance of the transportation service, the rate provided in this tariff, applicable to the weight of the entire shipment for the distance from such team track, depot or private railhead to which the common carrier rate used applies to point of destination. (See Notes 1, 2, 3, and 4)
- (c) When both point of origin and point of destination are located beyond railhead or an established depot, add to the common carrier rate applying between any railheads or established depots the rate provided in this tariff, applicable to the weight of the entire shipment, for the distance from point of origin to any (1) team track, (2) depot or (3) private railhead which is owned or leaded by the party who contracts with the carrier for the performance of the transportation service, from which the common carrier rate used applies, plus the rate provided in this tariff, applicable to the weight of the entire shipment, for the distance from any (1) team track, (2) depot or (3) private railhead which is owned or leased by the party who contracts with the carrier for the performance of the transportation service, to which the common carrier rate used applies to point of destination. (See Notes 1, 2, 3 and 4)

øNOTE 1.—If the route from point of origin to railhead, or from railhead to point of destination, is within the corporate limits of a single incorporated city or established drayage area, the rates provided in this tariff for transportation for distances of 3 miles or less (if within a city), or the minimum rates established by the Commission for transportation within the established drayage area, whichever are lower, shall apply from point of origin to railhead or from railhead to point of destination as the case may be; except that if the route from railhead is within the limits of the Alos Angeles Territory (see Item 270.3 for reference), rates no lower than those established for transportation therein shall apply in connection with shipments of alcoholic liquors originating in San Francisco Territory.

NOTE 2.—when a rail carload rate is subject to varying minimum weight, dependent upon the size of the car ordered or used, the lowest minimum weight obtainable under such minimum weight provisions may be used in applying the basis provided in this item.

MOTE 3.—In applying the common carrier rate or charge under this item, a rate no lower than the common carrier rate and a weight no lower than the actual weight or published minimum weight (whichever is the higher) applicable in connection with the common carrier rate shall be used.

NOTE 4. — For the purpose of applying the provisions of this item, the definitions of Point of Destination and Point of Origin set forth in Item 11 will be applicable.

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

ITEM SECTION 1--RULES OF GENERAL APPLICATION (Continued) ALTERNATIVE APPLICATION OF SPLIT PICKUP UNDER RATES CONSTRUCTED BY USE OF COMBINATION WITH COMMON CARRIER RATES øCharges on split pickup shipments may be computed by use of combinations with rates of common carriers oby land as follows, if a lower aggregate charge than that accruing under the basis provided in Items 160, 161, 162 and 163 results (See Note 1): (1) Compute the charge applicable under the rates named in this tariff for the composite weight of a split pickup shipment, except as provided in paragraph 5 of Item 162, from the point or points of origin of the several component parts (See Items 160, 161, 162 and 163) to any (a) team track, (b) established depot or (c) private railhead which is owned or leased by the party who contracts with the carrier for the performance of the transportation service. (See Exception and Note 2) EXCEPTION .-- Subject to the documentation requirements of Item 162, component parts of a split pickup shipment may be rated as separate shipments, subject to the individual weight of such separate shipments, to any (a) team tracks, (b) established depots or (c) private railheads which are owned or leased by the party who contracts with the carrier for the performance of the transportation service, from which the common carrier ø220 rate applies. (See Note 2) (2) Add to such charge the charge applicable under Items 200 and 210 for the weight of the composite shipment from such team track, established depot or private railhead, to point of destination. NOTE 1.—For the purpose of applying the provisions of this item, the definitions of Point of Destination and Point of Origin set forth in Item 11 will be applicable. NOTE 2 .- If the points of origin of all component parts are within the limits of an incorporated city within which the railhead is located, and no rate for transportation to the railhead from such points of origin is named in this tariff, the rates named in this tariff for transportation for the combined distances of 3 constructive miles from the first of such points of origin, plus a distance of 2 constructive miles for each such additional point of origin, or the minimum rates established by the Commission for transportation within that city, whichever are lower, shall apply to the composite shipment to such railhead from such points of origin.

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ORIGINAL PAGE.....25-A MINIMUM RATE TARIFF 2 SECTION 1--RULES OF GENERAL APPLICATION (Continued) ITEM ALTERNATIVE APPLICATION OF SPLIT DELIVERY UNDER RATES COMSTRUCTED BY USE OF COMBINATION WITH COMMON CARRIER RATES ø Charges on split delivery shipments may be computed by use of combinations with rates of common carriers oby land as follows, if a lower aggregate charge than that accruing under the basis provided in Items 170, 171, 172 and 173 results (See Note 1): (1) Compute the charge applicable under Items 200 and 210 for the weight of the composite shipment from point of origin to any (a) team track, (b) established depot or (c) private railhead which is owned or leased by the party who contracts with the carrier for the performance of the transportation service. (2) Add to such charge the charges applicable under the rates named in this tariff for the composite weight of a split delivery shipment (See Items 170, 171, 172 and 173), except as provided in paragraph 5 of Item 172, from such team track, established depot or private railhead, to the point or points of destination of the several component parts. (See Exception and Note 2) ø230 EXCEPTION .-- Subject to the documentation requirements of Item 172, component parts of a split delivery shipment may be rated as separate shipments, subject to the individual weight of each such separate shipment, from any (a) team tracks, (b) established depots or (c) private railheads which are owned or leased by the party who contracts with the carrier for the performance of the transportation service, to which the common carrier rate applies. (See Note 2) NOTE 1 .-- For the purpose of applying the provisions of this item, the definitions of Point of Destination and Point of Origin set forth in Item 11 will be applicable. NOTE 2 .-- If the points of destination of all component parts are within the limits of an incorporated city within which the railhead is located, and no rate for transportation from the railhead to such points of destination is named in this tariff, the rates named in this tariff for transportation for the combined distances of 3 constructive miles to the first of such points of destination, plus a distance of 2 constructive miles of each such additional point of destination, or the minimum rates established by the Commission for transportation with that city, whichever are lower, shall apply to the composite shipment from such railhead to such points of destination. 84911 o Increase) Decision No.

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