

Decision No. 86001**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investi-
gation for the purpose of considering
and determining minimum rates for
transportation of petroleum and
petroleum products in bulk, in tank
truck equipment statewide as
provided in Minimum Rate Tariff
6-B and the revisions or reissues
thereof.

Case No. 5436
Petition for Modification
No. 209
(Filed April 20, 1976)

O P I N I O N

Minimum Rate Tariff 6-B (MRT 6-B) names rates and rules governing the statewide transportation of bulk petroleum and petroleum products in tank truck equipment. By this petition the California Trucking Association (CTA) seeks the establishment in MRT 6-B special monthly vehicle unit volume tender rates, in cents per gallon, per shipment, on an experimental basis. The proposed rates would apply to points in California located within 250 miles from Chico, Sacramento, or Stockton.

Minimum volume tender rates are currently provided in MRT 6-B on a daily, monthly, and yearly basis to enable for-hire carriers to compete more effectively with proprietary competition. It is generally recognized that more of the petroleum traffic subject to the provisions of MRT 6-B now moves under the existing volume tender rates than under the otherwise applicable distance commodity rates. Initially, the volume tender rates consisted of a basic charge per unit of carriers' equipment plus an additional mileage charge. Petitioner states that shippers have expressed an increasing interest in volume tender rates which afford an opportunity to compute freight costs on a per gallon basis in advance of the usual monthly billing.

A schedule of special monthly volume tender rates in cents per gallon per shipment was recently established, on an experimental basis, in MRT 6-B pursuant to Decision No. 85506 dated March 2, 1976 in Case No. 5436 (Petition 199). Those rates apply to California points located within 250 miles from the southern California origins of Colton, Imperial, Niland, or San Diego. Petitioner now suggests that a second scale of special monthly volume tender rates in cents per gallon per shipment be established, on an experimental basis, to California points located within 250 miles of the northern California origins of Chico, Sacramento, or Stockton. Other tariff changes are recommended in the interest of tariff simplicity and the proposed level of rates reflects loading times encountered at the proposed northern California origins. Petitioner states that the proposed volume tender rates are oriented to locations having the greatest potential for utilization.

The proposed tariff changes have been discussed with both interested shippers and carriers and have been the subject of public docketing. It is petitioner's belief that the proposed rates will not result in general increases or reductions of total charges when compared with those accruing under the current volume tender rate provisions of MRT 6-B.

Copies of Petition 209 were mailed to various shippers, shipper organizations, and carriers on or about April 20, 1976. The petition was listed on the Commission's Daily Calendar of April 21, 1976. The Commission's Transportation Division staff recommends that, in the absence of protest, the petition be granted by ex parte order. No objection to the granting of the petition has been received.

In the circumstances, the Commission finds that the proposed rates have been shown to be justified and will result in just, reasonable, and nondiscriminatory minimum rates and charges for the transportation involved. The Commission concludes that Petition 209 should be granted. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 6-B (Appendix A to Decision No. 82350, as amended) is further amended by incorporating therein, to become effective August 1, 1976, Original Page 43-A, Original Page 43-B, and First Revised Page 44-B, 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 also to Decision No. 82350, as amended, are hereby authorized to establish in their tariffs the amendments necessary to conform with the further adjustments ordered herein.
3. Tariff publications authorized to be made by common carriers as a result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than the fifth day after the effective date of this order on not less than five days' notice to the Commission and to the public if filed not later than sixty days after the effective date of the minimum rate tariff pages incorporated in this order.
4. Common carriers, in establishing and maintaining the rates authorized by this order, are 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 rates 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. 82350, 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 29th
day of JUNE, 1976.

William S. Jones, Jr. President
Thomas L. Sturgeon
Alton
Robert Bateman Commissioners

Commissioner D. W. Holmes, being
necessarily absent, did not participate
in the disposition of this proceeding.

SECTION 4--VEHICLE UNIT RATES (Continued)													ITEM
SPECIAL MONTHLY VEHICLE UNIT VOLUME TENDER RATES (Not Subject to the Provisions of Supplement 5)													
(1) The rates provided in this item apply only when transportation is performed subject to and in accordance with the provisions of this item, and apply when carrier's unit(s) of equipment is (are) used to transport commodities as described in Rate Groups A, B, C or I of Item 30, from one or more of the following points: Chico, Sacramento or Stockton to points in California located within 250 miles of these origins.													
(2) The provisions of this item apply only when prior to the transportation of the property the consignor has requested verbally or in writing that transportation be performed under the provisions of this item and has elected a special monthly volume tender and charges are prepaid; provided that if requested verbally, the consignor shall place a confirming written request in the United States mail the same day as verbally requested. (For form of agreement see Item 530.)													
(3) Rates for transportation will be based upon the minimum gallonage tendered by the consignor during the monthly volume tender period and will be determined as follows:													
RATES IN CENTS PER GALLON PER SHIPMENT [®] FOR RATE GROUPS SHOWN (Subject to Notes 1 through 8)													
MINIMUM GALLONAGE PER EACH MONTHLY VOLUME TENDER PERIOD													
GALLONS		750,000 to 999,999		1,000,000 to 1,499,999		1,500,000 to 1,749,999		1,750,000 to 1,999,999		2,000,000 to 2,499,999		2,500,000 and Over	
MILES		Rate Group		Rate Group		Rate Group		Rate Group		Rate Group		Rate Group	
Over	Not Over	A	B C	A	B C	A	B C	A	B C	A	B C	A	B C
0	15	.66	.76	.64	.75	.63	.73	.60	.70	.59	.69	.57	.66
15	20	.68	.83	.67	.80	.65	.78	.62	.75	.62	.74	.59	.71
20	25	.76	.92	.75	.89	.73	.87	.70	.84	.69	.83	.66	.79
25	30	.81	.98	.80	.95	.78	.93	.74	.89	.73	.88	.70	.84
30	35	.89	1.07	.87	1.04	.85	1.02	.82	.98	.81	.96	.77	.92
35	40	.97	1.16	.95	1.13	.93	1.10	.89	1.06	.88	1.05	.84	1.00
40	45	1.07	1.27	1.03	1.23	1.00	1.21	.96	1.16	.95	1.14	.91	1.13
45	50	1.15	1.33	1.12	1.30	1.09	1.27	1.05	1.22	1.03	1.20	1.02	1.18
50	60	1.25	1.49	1.22	1.45	1.19	1.41	1.14	1.36	1.13	1.34	1.11	1.32
60	70	1.33	1.61	1.30	1.57	1.27	1.53	1.22	1.47	1.20	1.45	1.18	1.43
70	80	1.44	1.73	1.39	1.69	1.37	1.65	1.32	1.58	1.30	1.56	1.28	1.54
80	90	1.57	1.97	1.53	1.93	1.49	1.91	1.44	1.90	1.42	1.85	1.40	1.82
90	100	1.75	2.09	1.72	2.06	1.69	2.03	1.64	2.02	1.64	1.97	1.62	1.94
100	110	1.91	2.28	1.88	2.24	1.85	2.21	1.84	2.20	1.80	2.15	1.77	2.12
110	120	2.02	2.47	1.98	2.43	1.96	2.40	1.95	2.38	1.90	2.32	1.87	2.29
120	130	2.13	2.60	2.09	2.55	2.06	2.52	2.05	2.51	2.00	2.44	1.97	2.41
130	140	2.24	2.79	2.20	2.73	2.17	2.63	2.16	2.59	2.10	2.56	2.08	2.53
140	150	2.46	2.92	2.40	2.85	2.32	2.75	2.29	2.72	2.26	2.68	2.23	2.65
150	160	2.63	3.12	2.57	3.04	2.47	2.93	2.44	2.90	2.41	2.86	2.38	2.82
160	170	2.80	3.25	2.73	3.17	2.63	3.06	2.59	3.02	2.57	2.98	2.51	2.94
170	180	2.89	3.44	2.84	3.36	2.74	3.24	2.70	3.20	2.67	3.16	2.63	3.12
180	190	3.02	3.61	2.95	3.49	2.84	3.32	2.81	3.23	2.77	3.22	2.74	3.19
190	200	3.09	3.81	3.06	3.68	2.91	3.50	2.84	3.41	2.82	3.39	2.80	3.37
200	225	3.26	4.07	3.22	3.93	3.07	3.74	2.99	3.65	2.97	3.62	2.95	3.60
225	250	3.76	4.40	3.71	4.25	3.53	4.04	3.44	3.94	3.42	3.92	3.40	3.89
The provisions of this item will not apply if the gallonage transported is less than 750,000 gallons.													
® Includes transportation of commodities described in Rate Group I.													
(Continued on next page)													
(E) Expires with _____													
* Addition)													
o Increase) Decision No. . 86001													
o Reduction)													
EFFECTIVE _____													
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.													
Correction													

SECTION 4--VEHICLE UNIT RATES (Continued)	ITEM
<p style="text-align: center;">SPECIAL MONTHLY VEHICLE UNIT VOLUME TENDER RATES (Not Subject to the provisions of Supplement 5) (Concluded)</p> <p>NOTE 1.--In the application of rates provided in this item, shippers and consignees must have their premises available to carriers to permit loading and unloading in a manner that will allow carrier to maintain a twenty-four- (24) hour-a-day schedule.</p> <p>NOTE 2.--As used in this item a "special monthly volume tender" shall mean 720 consecutive hours; except that when the tender commences on the 1st day of a calendar month, the tender will cover the full calendar month.</p> <p>NOTE 3.--Carrier is not obligated to assign more than one (1) unit of carrier's equipment to haul the total gallonage tendered; it is not required that the unit furnished be equipped with meters or pumps. When shipment requires that carrier furnish pumps or meters, it shall be rated under the provisions of Item 400 of this tariff.</p> <p>NOTE 4.--All shipments must be tendered and loaded within the monthly volume tender period. A shipment loaded but not delivered within the monthly volume tender period will be completed and charged under the provisions of this item.</p> <p>NOTE 5.--Mileage applicable in connection with this item shall be computed in accordance with Item 150.</p> <p>NOTE 6.--(a) A charge of \$3.70 for each one-quarter (1/4) hour, or fraction thereof, shall be assessed for the time carrier's equipment is detained through no fault of the carrier to complete loading or unloading in excess of the free time specified in Paragraph (b).</p> <p style="padding-left: 40px;">(b) A total of two hours free time will be allowed to complete loading and unloading each shipment.</p> <p>NOTE 7.--When transportation is performed under the provisions of this item, the following provisions will not apply:</p> <p style="padding-left: 40px;">Item 100 -- Application of Combination of Rates Item 160 -- Demurrage or Detention Charges Item 210 -- Issuance of Shipping Documents Item 290 -- Vapor Recovery and/or Bottom Loading Equipment</p> <p>NOTE 8.--Within 7 days after the start of transportation hereunder, carrier shall bill and collect a prepayment of \$10,000. Such payment will be deducted from the total transportation charges accumulated during such tender provided, however, that if the same consignor elects to use the same carrier for a subsequent special monthly tender period beginning within 24 hours, such prepayment shall not be deducted and shall be considered the required prepayment for said subsequent tender. A final billing will be submitted at the end of the monthly volume tender period.</p>	<p style="text-align: center;">* * *</p> <p style="text-align: center;">(E) 523</p>
<p>(E) Expires with _____</p> <p>* Addition)</p> <p>◊ Increase) Decision No. 86001</p> <p>◊ Reduction)</p>	
EFFECTIVE	
<p style="text-align: center;">ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p> <p>Correction</p>	

SECTION 4--VEHICLE UNIT RATES (Concluded)	ITEM
<p>WRITTEN AGREEMENT</p> <p>Prior to the transportation of any commodities as described in Item 30 under the provisions of Items 500, 510, 520, *523 or 525, the shipper must enter into a written or verbal agreement with the carrier.</p> <p>The agreement shall contain the following information, which shall be pertinent to the requirements of the item under which the transportation is to be performed:</p> <ol style="list-style-type: none"> (1) Name and address of carrier. (2) Name and address of shipper. (3) Date of engagement. (4) Calendar period of agreement. (5) Rates and other charges agreed upon. (6) Size and type of equipment to be used. (7) The agreement shall be in substantially the following form: <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p style="text-align: right;">Date _____</p> <p>In accordance with the provisions of Items 500, 510, 520, *523 or 525 of Minimum Rate Tariff 6-B, I hereby request to have Petroleum and Petroleum Products as described in Item 30 of said tariff, transported by _____</p> <p style="text-align: center;">(Name of Carrier)</p> <p>under the rates, charges and provisions of Items (SPECIFY ITEM REQUESTED) of said tariff, subject to the following terms: (Indicate only those terms applicable to the individual rate item in Section 4 under which transportation is to be performed).</p> <p> Date of engagement----- Calendar period of agreement----- Capacity of unit of equipment----- Identification of equipment----- Charge per unit of equipment for calendar period----- ------(to be prepaid) Additional charge per hour----- Additional charge per mile----- Excess charge per hour----- Excess charge per mile----- Charge for additional service----- </p> <p>In the event that a change is made in the minimum rates, the portion of the week or month prior to the effective date of the change will be prorated at the former rates and the remaining days in the week or month will be prorated at the new rates.</p> <p> Shipper _____ By _____ (Name in full) (Name in full) Address _____ Confirmed: Carrier _____ By _____ Address _____ (Name in full) </p> </div>	
<div style="display: flex; justify-content: space-between;"> / Change) * Addition) Decision No. 86001 </div>	
EFFECTIVE	
<div style="display: flex; justify-content: space-between;"> Correction ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA. </div>	