

ORIGINAL

Decision No. 86266

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation
for the purpose of considering and
determining minimum rates for
transportation, in bulk, of
agricultural products and related
articles statewide as provided
in Minimum Rate Tariff 14-A and the
revisions or reissues thereof.

Case No. 7857
Petition for Modification
No. 138
(Filed April 28, 1976;
amended May 7, 1976)

Richard W. Smith, Attorney at Law, and H. W. Hughes, for
California Trucking Association, petitioner.
Mel Amarel, for A & M Trucking, Inc.; Morris Proctor, for
Corcoran Motor Transport, Inc.; Ray Sharp, for Sharp
Farms Trucking, Inc.; and Robert L. Burns, for
T. F. Burns Trucking; respondents.
A. L. Tuma, II, for Northern California Grain Exchange,
California Grain and Food Dealers, and Balfour, Guthrie
& Co.; and Ralph O. Hubbard, for California Farm Bureau
Federation, interested parties.
Robert E. Walker, for the Commission staff.

O P I N I O N

Minimum Rate Tariff 14-A (MRT 14-A) names rates and rules governing the statewide transportation of agricultural commodities and related products, in bulk, by highway carriers. The California Trucking Association seeks cost offset increases averaging 5 to 7 percent in MRT 14-A rates. It is also proposed that the present tariff rule governing field pickup shipments be modified to permit application of truckload rates in connection with less-truckload field cleanup loads.

Public hearing of Petition 138 was held before Examiner Gagnon on July 21, 1976 at Fresno, California. Notices of hearing were mailed to 138 parties believed to be interested. In addition to

shippers and carriers of agricultural products, notices were sent to public interest groups, the Governor's office, the State Attorney General, State Department of Agriculture, Agricultural Labor Relations Board, Federal and State Departments of Justice (Anti-Trust Division) and the United Farm Workers Union. No one appeared in opposition to Petition 138. The California Farm Bureau Federation urges the immediate adoption of petitioner's rate proposals.

The present level of MRT 14-A rates was established by Decision No. 82756 dated April 23, 1974 in Case No. 7857 (Pet. 97). Charges resulting under these rates were subsequently made subject to a 10-percent surcharge which reflects the most recent cost offset adjustment of approximately 5 percent effective February 16, 1975 pursuant to Decision No. 84054 issued February 4, 1975 in Case No. 7857 (Pet. 117).^{1/}

Since the MRT 14-A rates were last adjusted petitioner contends the operating costs of agricultural highway carriers have materially increased. A joint carrier-shipper conference was conducted by petitioner on February 20, 1976 to discuss the impact of the carriers' increased operating costs, to evaluate the experiences of the 1975 California harvest, and to project the immediate foreseeable transportation requirements for the 1976 harvest season. Public notices of the conference were mailed to some 198 carriers, shippers, and marketing groups of agricultural products. Petitioner states that 39 carriers and shippers attended the conference. Petition 138 assertedly reflects a consensus of those interested carriers and shippers who attended the conference and now support adoption of petitioner's tariff changes.

^{1/} Petitioner's proposed rates include the present cost offset surcharge of 10 percent.

A cost supervisor for petitioner presented testimony and related cost and rate data which were the same or substantially similar to that contained in his verified statement attached to Petition 138. He explained that the principal source of increased costs is attributable to higher wages and related fringe benefits which have affected nearly all categories of carrier employees. Other substantive cost increases have resulted from legislative enactments. The wage base for computing taxes payable under the Federal Insurance Contribution Act was increased on January 1, 1975 and again on January 1, 1976 which collectively resulted in a 16-percent increase in this tax. Effective January 1, 1976 the rate and the taxable wage base for California unemployment insurance were adjusted upwards resulting in nearly a 100-percent increase in this tax. Effective October 1, 1975 and May 1, 1976 basic levels of workers' compensation insurance rates were increased approximately 27 percent.

The economic impact of current inflationary trends upon the labor costs and related operating expenses of agricultural carriers is not susceptible to a detailed evaluation in the absence of thorough field and related cost and rate economic studies. Therefore, the petitioner's cost supervisor employed a comparative analysis of known labor cost increases reflected in several outstanding wage agreements of for-hire carriers of both agricultural and nonagricultural products. For example, under the California agricultural and horticultural supplemental labor agreement the drivers' total hourly labor costs were increased approximately 16 percent between the period July 1, 1974 and May 16, 1976. Like hourly labor cost increases were incurred by for-hire carriers of several nonagricultural products during the same period under effective union labor contracts. In an effort to measure the increases incurred by agricultural carriers in their fixed equipment costs, running costs, and related indirect expenses, several economic wholesale, industrial, and consumer price indices were used. In addition, historical equipment costs and formal cost exhibits of record were employed.

Highway carriers engaged in the transportation of bulk agricultural products employ a rather significant amount of nonunion labor. Such labor costs are usually less than costs under effective union labor contracts. Petitioner's cost witness was aware of only four carriers that were parties to the California agricultural and horticultural supplemental labor agreement. Frequently compensation paid to employees of agricultural carriers are based either upon a percentage of gross revenue per shipment, a per-trip basis, or on a mileage basis in lieu of a specific hourly wage rate. Agricultural carriers also transport commodities not subject to the provisions of MRT 14-A. It is not unusual to find carriers of agricultural products directly involved in farming activities. For these and other related reasons petitioner's efforts to measure the economic impact of current inflationary trends upon the agricultural for-hire carriers' operating costs through the employment of economic price indices, the labor contracts of carriers of nonagricultural products, and other related statistical data, are not sufficiently determinative to justify the full sought increase.

Petitioner's cost witness testified that his studies indicated that 19 representative for-hire agricultural carriers earning 25 percent of the \$40 million in estimated gross revenues earned under MRT 14-A experienced an overall operating ratio of 94 percent for the year 1975. For the first quarter of 1976 the collective operating ratio of these carriers had deteriorated to 114 percent. Absent the proposed rate relief, the cost witness anticipates such results of operations for 1976 to worsen.

Pursuant to the recent upward revisions in the maximum gross vehicle weight regulations from 76,800 pounds to 80,000 pounds, agricultural carriers are expected to experience a negative productivity factor. Petitioner's cost witness explained that since the recent changes in the maximum gross vehicle weight law, the special weight permits previously issued to agricultural haulers authorizing

maximum gross vehicle weights up to 85,800 pounds are no longer issued. The cost witness states that this actual reduction in the maximum gross vehicle weight for agricultural haulers represents about a 7-percent decline in the truckload movement of agricultural products.

In an effort to stimulate increased equipment utilization petitioner recommends that the provisions in MRT 14-A governing the field pickup of truckload grain shipments be amended to allow for the application of truckload rates in connection with related less truckload field cleanup loads. The applicable truckload rate would be based on the actual weight of the cleanup load when transported not more than 35 constructive miles. The proposed mileage restriction is admittedly experimental in nature and is designed to maintain an element of control over the application of the proposed tariff amendment. Petitioner's cost witness stated that, if it was deemed desirable, the suggested mileage limitation might well be made subject to an expiration date. Petitioner's tariff proposal with respect to cleanup loads of field pickup shipments has considerable merit and should be adopted.

The Commission's Transportation Division staff previously reviewed petitioner's rate proposal in connection with its request for ex parte handling of Petition 138. At that time the staff recommended the sought cost offset increase be restricted to known increases in the carriers' operating expenses. Under the circumstances, the staff suggested that the existing MRT 14-A surcharge of 10 percent be adjusted upward to 14 percent pending hearing. Adoption of the staff's suggested interim tariff adjustments would result in an estimated cost offset increase in MRT 14-A carrier revenues amounting to approximately \$1,500,000. No additional evidence was presented at the hearing which would move the Commission to adopt a greater volume of increase in MRT 14-A rates than the general 3.6-percent adjustment originally recommended by the staff.

A freight traffic consultant, on behalf of five processors of cottonseed and safflower seed, has advised the Commission of their continued support for Petition 138. The California Farm Bureau Federation urges that the petition be granted as soon as possible in order to avoid any conflicts or interference with the contemplated execution of contracts for the transportation and marketing of agricultural products during the latter phase of the 1976 California harvest. The representative for the Farm Bureau also presented a closing statement in response to a general inquiry of the Commission concerning other proposals for improving the efficiency of highway transportation including any evaluation of the current minimum rate structure as a viable factor in today's scheme for marketing and distributing California's agricultural production. A summary of his remarks follows:

"... I represent the California Farm Bureau Federation... we have in excess of 73,000 members...a great percentage, if not all...will grow some type of grain...

"It is essential to our industry that we have carriers when we need them, and when we say that we will support an increase of any kind...we are well aware of what is needed before we ever go into...meetings. . . .

"Through the help of...the Commission, ...trucking and other agricultural interests, we were able to separate from the general commodity tariff the grain rates and hay rates...

"I...have personally conducted a running study to determine the true effects of the separation of rates from (MRT) No. 2...into what is now (MRT) No. 14 tariff, and when I make the rate comparison of the increases in 14, compared to No. 2, we are in excess of one hundred million dollars...in savings to our growers. . . .

"...the farmer or the grower never sees a freight bill, with the exceptions, of course...

"...when they get paid for their...grain, their produce of any kind, that cost (freight) is deducted from what they get for that commodity.

"...to my knowledge, without exception, the minimum rate...whether it be in grain, livestock, or produce, is the going rate. That grower, by us and by other organizations, informs him that this is the rate... for your commodity; if the middleman endeavors to deduct more...don't pay him.

"Now, if this isn't minimum rates, I am at a loss to know what would be a minimum rate.

"...my organization was one of the authors, if not the author, of the Transportation Act of 1935. We recognized the need for some controls so that we have people to haul our commodities at harvest time.

"Our policy, over the years, has been that...agricultural commodities should be exempt from economic regulations from point of growth to first point of processing.

"That does not say that we feel economic regulations should not be established from the first point of processing to other destinations. We feel that this is needed, and this rate that is established for that or, if you will, now from point of growth, in the case of grain, straight out, we feel that this is a necessary thing.

"We also think that the law specifically says that the Commission shall establish rates and I refer...to Sections 3662 and 726 of the Code. . . . This takes care of all agricultural commodities from point of growth.

"I would also like to refer...to Section 3661 where it states it is the policy of the State, to be pursued by the Commission, to establish such rates...as will promote the freedom of movement by carriers of the products of agriculture, including livestock, at the lowest lawful rates compatible with the maintenance of adequate transportation service--and I again emphasize adequate transportation service.

"We do not think this cutthroat approach would do anything but force our growers into the trucking business which we very definitely do not want to be in.

"I think that responds to some of the questions that have been asked of me..."

Findings

1. The minimum rates named in MRT 14-A were established by Decision No. 82756 dated April 23, 1974. The charges resulting under those rates are currently subject to a cost offset surcharge of 10 percent which includes a 5-percent increase as of February 16, 1975 pursuant to Decision No. 84054 issued February 4, 1975 in Case No. 7857 (Pet. 117).

2. Petitioner has shown that, since the MRT 14-A cost offset surcharge of 10 percent was established, highway carriers of agricultural products governed by the provisions of MRT 14-A have incurred further substantive increase in their costs.

3. Petitioner now requests, among other tariff changes, cost offset increases in MRT 14-A rates averaging 5 to 7 percent.

4. From a preliminary review of petitioner's initial ex parte rate proposal it was determined that the cost offset increase in MRT 14-A rates should be restricted to known increases in the carriers' operating expenses. Accordingly, the staff recommended that the MRT 14-A surcharge of 10 percent be adjusted upward to 14 percent pending hearing of Petition 138. This increase would, in turn, generate additional annual revenues amounting to approximately \$1,500,000.

5. From the evidence of record obtained at public hearing in this proceeding the Commission finds that an increase of 3.6 percent in MRT 14-A rates is justified.

6. The rates resulting under the increase found justified herein will be the just, reasonable, and nondiscriminatory minimum rates for the transportation services governed thereby.

Conclusions

1. Petition for Modification No. 138 should be granted to the extent provided in the order and MRT 14-A amended accordingly.

2. The effective date of this order should be the date on which it is signed because the petition is not opposed and there is a compelling need for advanced planning in the harvesting and marketing of California's 1976 agricultural products.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff 14-A (Appendix A to Decision No. 67397, as amended) is further amended by incorporating therein, to become effective August 23, 1976, 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 they are subject to Decision No. 67397, as amended, are directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered herein.

3. Common carriers maintaining rates on a level other than the minimum rates for transportation for which rates are prescribed in Minimum Rate Tariff 14-A are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 14-A rates.

4. Common carriers maintaining rates on the same level as Minimum Rate Tariff 14-A rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff 14-A are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 14-A rates.

5. Common carriers maintaining rates at levels other than the minimum rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff 14-A are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 14-A rates.

6. Tariff publications required or 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; such tariff publications as are required shall be made effective not later than August 23, 1976, 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.

7. 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.

8. In all other respects Decision No. 67397, as amended, shall remain in full force and effect.

9. To the extent not granted herein Petition for Modification No. 138 is denied.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 17th day of AUGUST, 1976.

*I will attach a
concurring
Leonard Ross
Robert Bateman*
Commissioners

William J. ... President
William J. ...
Leonard Ross
Robert Bateman
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A

LIST OF SUPPLEMENT AND REVISED
PAGES TO MINIMUM RATE TARIFF 14-A

SUPPLEMENT 12

NINTH	REVISED	PAGE	7
NINTH	REVISED	PAGE	12
FIRST	REVISED	PAGE	12-A
EIGHTH	REVISED	PAGE	13
SIXTH	REVISED	PAGE	14
EIGHTH	REVISED	PAGE	26
FIFTH	REVISED	PAGE	26-A
FOURTH	REVISED	PAGE	27
EIGHTH	REVISED	PAGE	29
THIRTEENTH	REVISED	PAGE	32
EIGHTH	REVISED	PAGE	34

(END OF APPENDIX A)

SUPPLEMENT 12
(Cancels Supplement 10)
(Supplements 8, 11 and 12 Contain All Changes)
TO
MINIMUM RATE TARIFF 14-A
NAMING
MINIMUM RATES AND RULES
FOR THE
TRANSPORTATION, IN BULK, OF
AGRICULTURAL COMMODITIES AND
RELATED ARTICLES
NAMED HEREIN
OVER THE PUBLIC HIGHWAYS WITHIN THE
STATE OF CALIFORNIA
BY
RADIAL HIGHWAY COMMON CARRIERS
AND
HIGHWAY CONTRACT CARRIERS

Decision No. 86266

EFFECTIVE

Issued by the
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
State Building, Civic Center
San Francisco, California 94102

SECTION 1--RULES OF GENERAL APPLICATION (Continued)		ITEM												
<p style="text-align: center;">DELAYS TO EQUIPMENT</p> <p>1. Except as provided in paragraph 2, a period of two hours for loading and two hours for unloading shall be allowed for each unit of equipment.</p> <p>2. A period of four hours for loading and four hours for unloading shipments of whole grain shall be allowed for each unit of equipment.</p> <p>3. "Unit of Equipment," means a motor truck, and/or trailer or semitrailer, exclusive of motor tractor.</p> <p>4. Charges for loading and/or unloading time in excess of free time authorized in paragraph 1 of this item are provided in Item 130.</p> <p>5. A charge of 3½¢ per 100 pounds will be made by the carrier on all shipments of whole grain on all equipment unloaded or loaded after free time has elapsed.</p>		0120												
<p style="text-align: center;">CHARGES FOR ACCESSORIAL SERVICES AND FOR EQUIPMENT HELD AFTER FREE TIME HAS ELAPSED</p> <p>The charges provided in this item apply for accessorial services, as provided in Item 110, and for time in excess of the free time specified in Items 120 and 190.</p> <table border="0" style="width: 100%;"> <thead> <tr> <th></th><th colspan="2" style="text-align: center;"><u>Charges in Cents</u></th></tr> <tr> <th></th><th style="text-align: center;"><u>For First 30 Minutes or Fraction</u></th><th style="text-align: center;"><u>For Each Additional 15 Minutes or Fraction</u></th></tr> </thead> <tbody> <tr> <td>(a) For driver or other carrier employee, per man -----</td><td style="text-align: center;">770</td><td style="text-align: center;">335</td></tr> <tr> <td>(b) For unit of equipment (each motor truck, trailer or semitrailer, exclusive of motor tractors) -----</td><td style="text-align: center;">74</td><td style="text-align: center;">37</td></tr> </tbody> </table>			<u>Charges in Cents</u>			<u>For First 30 Minutes or Fraction</u>	<u>For Each Additional 15 Minutes or Fraction</u>	(a) For driver or other carrier employee, per man -----	770	335	(b) For unit of equipment (each motor truck, trailer or semitrailer, exclusive of motor tractors) -----	74	37	0130
	<u>Charges in Cents</u>													
	<u>For First 30 Minutes or Fraction</u>	<u>For Each Additional 15 Minutes or Fraction</u>												
(a) For driver or other carrier employee, per man -----	770	335												
(b) For unit of equipment (each motor truck, trailer or semitrailer, exclusive of motor tractors) -----	74	37												
<p style="text-align: center;">CHARGES FOR OBTAINING A WEIGHMASTER'S CERTIFICATE</p> <p>Whenever a carrier is requested by the shipper, consignee or debtor to obtain a certified weight from a public scale, or when a carrier must obtain a certified weight for billing purposes or for other legal requirements, and a charge is assessed by the public weighmaster for this service, the carrier shall assess a charge of not less than the actual amount paid by the carrier to the public weighmaster for the weighing service for each weight certificate obtained and furnished to the debtor or other person requesting a certified weight.</p>		135												
<p>◊ Increase, Decision No. 86266</p>														
EFFECTIVE														
<p>Correction</p>		<p>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p>												

SECTION 1--RULES OF GENERAL APPLICATION (Continued)			ITEM
ADDITIONAL CHARGES FOR SPLIT PICKUP OR SPLIT DELIVERY SHIPMENT			
Weight of Component Part (Pounds)			
Over	But Not Over	Charge for Each Component Part (Cents)	0170
0	2,000-----	815	
2,000	4,000-----	940	
4,000	10,000-----	1065	
10,000	20,000-----	1190	
20,000	-----	1315	
FIELD PICKUP SHIPMENT (Items 180 and 181)			
1. Field pickup shipment means a quantity of property transported by one carrier for one debtor from a point in a single field or farm site.			
2. A "single field or farm site" is that area devoted to the production of grain, rice or seed, or to the production of hay or related commodities. In no event shall field or farm site exceed 1 section (640 acres).			
3. The point of origin of a field pickup shipment shall be the point in a single field or farm site nearest the point of destination.			
4. Additional charges for loading a field pickup shipment shall be assessed as follows:			
(a) For shipments subject to the rates provided in Items 300, 301 and 400, at the charges provided in said items. (See Exception)			0180
EXCEPTION.--No charge shall be applicable to any shipment of baled hay, fodder or straw loaded from a single stack.			
(b) For shipments subject to the rates provided in Item 550 and in Section 6, add 3½ cents per 100 pounds to the rate otherwise applicable. (See Exception)			
EXCEPTION.--No charge shall be applicable to any shipment moving from a permanent storage facility with a minimum storage capacity of 52,000 pounds. As used herein, permanent storage facility means a gin warehouse, silo, bin, tank or slab, permanently installed. It must be equipped with operable motorized loading facilities or with gravity loading devices.			
(Continued in Item 181)			
◊ Increase, Decision No.			
86266			
EFFECTIVE			
Correction			
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.			

SECTION 1--RULES OF GENERAL APPLICATION (Continued)	ITEM
<p style="text-align: center;">FIELD PICKUP SHIPMENT (Concluded) (Items 180 and 181)</p> <p>5. A single shipping document for the entire field pickup shipment shall be issued prior to or at the time of the first pickup. Such shipping document shall show the name of the debtor, the name of the consignor, the name of the carrier, point of origin, point of destination, date, kind and estimated quantity of property to be transported.</p> <p>6. When written information as required in paragraph 5 of this item has not been received by the carrier prior to or at the time of the first pickup, the following provisions shall apply:</p> <p>(a) Written shipping instructions shall be furnished by the debtor to the carrier within a period of two calendar days (excluding Saturdays, Sundays and legal holidays) of the date on which the first lot is picked up. The written instructions shall confirm oral shipping instructions and shall describe the kind and quantity of property in the field pickup shipment.</p> <p>(b) Within a period of two calendar days (excluding Saturdays, Sundays and legal holidays) of the date on which it receives the written shipping instructions, the carrier shall issue to the debtor the single shipping document for the entire field pickup shipment as required by paragraph 5 of this item.</p> <p>7. A single freight bill for each field pickup shipment transported, stating the rate and charge, shall be issued no later than seven days from the date of the first pickup. Such freight bill shall show the point of origin, point of destination, the name of the debtor, the name of the consignor, the name of the carrier, date, description and weight of the property in each component part separately transported. A separate document may be issued for each component part, showing the point of origin, point of destination, date, description and weight of each component part so transported, and shall give reference to the single freight bill covering the entire field pickup shipment and shall be attached thereto and become a part thereof.</p> <p>*68. (This paragraph is not applicable in connection with shipments transported at rates in Section 6.) One clean-up load, the last of not less than ten loads which are part of a field pickup shipment, may be transported at its actual weight utilizing the column of rates applicable to the prior loads, (1) provided that this component is not transported more than 35 constructive miles. The applicable rate shall be assessed against the actual weight of the commodity transported. (1) If the clean-up load is transported more than 35 constructive miles it shall be rated as a separate field pickup shipment at its actual weight.</p>	§181
<p>(1) Mileage restriction expires with December 31, 1977.</p> <p> § Change) * Addition) Decision No. 86266 o Reduction) </p>	
EFFECTIVE	
<p>Correction</p>	<p>ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p>

SECTION 1--RULES OF GENERAL APPLICATION (Continued)	ITEM
<p style="text-align: center;">STOPPING IN TRANSIT</p> <p>1. Shipments of cottonseed, or of baled hay, fodder or straw:</p> <p>(a) One stop in transit for inspection and/or receipt of delivery instructions will be permitted in connection with each shipment.</p> <p>(b) One hour free time will be allowed for the stop.</p> <p>(c) Charges for time in excess of one hour are provided in Item 130.</p> <p>2. Shipments of whole grain:</p> <p>(a) Two stops in transit for inspection and receipt of delivery instructions or other purposes will be permitted in connection with each shipment.</p> <p>(b) A charge of \$3.00 shall be assessed for the second stop.</p>	0190
<p style="text-align: center;">ALTERNATIVE APPLICATION OF COMMON CARRIER RATES</p> <p>§1. Rates of common carriers *oby land may be used instead of the rates shown in this tariff when a lower charge is produced for the same transportation.</p> <p>2. When rail carload rates are used instead of the rates in this tariff, point of origin and point of destination shall be directly served by rail spur track.</p> <p>3. When a rail carload weight 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.</p> <p>4. The definitions of "point of origin" and "point of destination" in Items 10 and 11 apply in connection with this item.</p> <p>5. When 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.</p>	0200
<p style="text-align: center;">ALTERNATIVE APPLICATION OF COMBINATIONS WITH COMMON CARRIER RATES</p> <p>§1. Rates of common carriers *oby land may be combined with rates, applicable to the weight of the entire shipment, shown in this tariff when such combinations result in lower charges for the same transportation. (See Note)</p> <p>2. When common carrier rail rates are applied in combination with rates in this tariff, such combination of rates shall be constructed only over a (a) rail team track or (b) any private railhead which is owned or leased by the party who contracts with the carrier for the performance of the transportation service.</p> <p>3. If the route from point or points of origin to the team track or such private railhead, or from the team track or such private railhead to point or points of destination, is within the corporate limits of a single incorporated city, the rates provided in this tariff for transportation for distances of 3 miles or less shall apply from point or points of origin to such railheads or from such railheads to point or points of destination, as the case may be.</p> <p>NOTE.--In the event the provisions of paragraph 2(b) of Item 150 or paragraph 2(b) of Item 160 are used to determine the rates and charges from this tariff for a split pickup shipment or a split delivery shipment, component parts thereof may also be rated as separate shipments, subject to the individual weight of each such separate shipment, to or from any (a) team tracks or (b) private railheads which are owned or leased by the party who contracts with the carrier for the performance of the transportation service, to or from which the common carrier rate used applies, as the case may be.</p>	0210
<p> § Change) * Addition) ◊ Increase) </p> <p style="text-align: right;">Decision No. 86266</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 1--RULES OF GENERAL APPLICATION (Continued)	ITEM
<p style="text-align: center;">ACCESSORIAL SERVICES NOT INCLUDED IN COMMON CARRIER RATES</p> <p>1. If a common carrier rate used for highway transportation as provided in Items 200 and 210 does not include accessorial services performed by the highway carrier, the following additional charges shall be assessed:</p> <p>(a) For loading or unloading carrier's equipment:</p> <p>(1) 7¢ per 100 pounds assessed on the weight on which transportation charges are computed when the shipment is loaded into or unloaded from the carrier's equipment by the consignor or consignee with the physical assistance of a single carrier employee (either a driver or a helper and the labor performed is restricted to work within or on carrier's equipment) by use of power equipment, as described in Item 10, furnished by the consignor or consignee without expense to carrier, provided the freight bill issued pursuant to Item 250 indicates that the shipment was loaded and/or unloaded under said circumstances.</p> <p>(2) 9¢ per 100 pounds assessed on the weight on which transportation charges are computed when the shipment is loaded into or unloaded from the carrier's equipment other than as provided in subparagraph (a) (1) or when information required by subparagraph (a) (1) is not contained on the freight bill, except as provided in paragraph 3.</p> <p>(b) For other accessorial services, the charges provided in Item 130.</p> <p>2. Except as provided in Item 210, Alternative Application of Combinations with Common Carrier Rates, split pickup or split delivery service shall not be accorded unless included in the common carrier rate.</p> <p>3. Loading and/or unloading charges shall apply in all circumstances except the following:</p> <p>(a) When rates provided in this tariff are combined with rail carload rates and</p> <p>(1) point of origin is not directly served by rail spur track, only the charge for unloading shall be assessed;</p> <p>(2) point of destination is not directly served by rail spur track, only the charge for loading shall be assessed;</p> <p>(3) neither point of origin nor point of destination is directly served by rail spur track, no charge for loading or for unloading shall be assessed.</p> <p>(b) When a shipment of any commodity in bulk is loaded into and/or unloaded from the carrier's equipment by gravity;</p> <p>(c) When a shipment is loaded into and/or unloaded from the carrier's equipment by the consignor and/or consignee with power equipment; or</p> <p>(d) When the carrier's equipment is a trailer or semitrailer left for loading and/or unloading without the presence of the carrier's employee, provided the shipping document issued for the shipment specifies that it was loaded and/or unloaded under one of the circumstances described in this paragraph, or in paragraphs (b) or (c) above.</p>	0220
<p>o Increase, Decision No. 86266</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>	

MINIMUM RATE TARIFF 14-A

SECTION 3--DISTANCE COMMODITY RATES (In Cents Per 100 Pounds)						ITEM
HAY, FODDER (Bean, Cane, Corn or Pea), STRAW, or WOOD SHAVINGS (Used for Bedding), in machine pressed bales (See Note)						
(1) MILES		MINIMUM WEIGHT IN POUNDS				
Over	But Not Over	Less than 20,000	20,000	30,000	(2) 40,000	
0	3	49	30	19	16	
3	5	50	31	20	17½	
5	10	51	32	21	19	
10	15	54	35	23	20	
15	20	55	36	24½	21	
20	25	58	38	26	23	
25	30	59	39	27½	25	
30	35	60	42	29	26	
35	40	62	44	30	27½	
40	45	64	45	32	30	
45	50	68	48	34	31	
50	60	70	50	36	34	
60	70	73	54	38	35	
70	80	75	58	40	38	
80	90	79	62	43	39	
90	100	82	65	44	42	
100	110	84	69	45	43	
110	120	87	73	46	44	
120	130	89	75	49	45	
130	140	93	78	50	46	0300
140	150	96	82	51	48	
150	160	99	84	54	49	
160	170	101	87	56	50	
170	180	104	89	59	51	
180	190	107	93	62	54	
190	200	109	95	64	56	
200	220	113	99	68	60	
220	240	116	103	71	63	
240	260	122	107	74	65	
260	280	127	109	78	69	
280	300	133	113	80	73	
300	325	137	121	84	76	
325	350	143	124	87	79	
350	375	149	130	90	83	
375	400	153	135	94	86	
400	425	158	139	99	88	
425	450	163	146	103	92	
450	475	168	150	105	96	
475	500	174	155	109	100	
500	525	179	161	113	103	
(1) See Item 90. (2) Rates in this column do not apply for the transportation of hay between points for which rates are provided in Item 400.						
NOTE.--An additional charge of 64 cents per 100 pounds shall be assessed for loading field pickup shipments as defined in Item 130, other than when loading is performed by a power operated hay loader.						
◊ Increase, Decision No. 86266						
EFFECTIVE						
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.						
Correction						

SECTION 3--DISTANCE COMMODITY RATES (In Cents Per 100 Pounds)						ITEM
HAY, FODDER (Bean, Cane, Corn or Pea), STRAW, or WOOD SHAVINGS (Used for Bedding), in machine pressed bales (See Note)						0301
(1) MILES		MINIMUM WEIGHT IN POUNDS				
Over	But Not Over	Less than 20,000	20,000	30,000	(2) 40,000	
525	550	186	166	116	105	
550	575	190	173	122	109	
575	600	196	178	125	112	
600	625	202	184	128	114	
625	650	207	188	132	116	
650	675	212	193	136	122	
675	700	217	200	139	125	
700	725	222	205	143	128	
725	750	228	212	148	132	
750	775	234	218	152	136	
775	800	239	226	155	140	
800	850	246	233	160	147	
850	900	254	238	164	150	
900	950	261	245	170	154	
950	1,000	268	253	176	158	
1,000	1,050	277	260	180	163	
1,050	1,100	285	266	186	168	
1,100	1,150	292	272	190	174	
1,150	1,200	300	279	196	178	
(1) See Item 90. (2) Rates in this column do not apply for the transportation of hay between points for which rates are provided in Item 400. NOTE.--An additional charge of 6½ cents per 100 pounds shall be assessed for loading field pickup shipments, as defined in Item 180, other than when loading is performed by a power operated hay loader.						
♦ Increase, Decision No. 86266						
EFFECTIVE						
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.						
Correction						

SECTION 3--DISTANCE COMMODITY RATES (In Cents Per 100 Pounds)			ITEM
<p style="text-align: center;">LOCAL DELIVERY SERVICE</p> <p>Rates in this item apply only for local delivery service of hay, fodder and straw in machine pressed bales, when distance between point of origin and point of destination of the shipment does not exceed 15 constructive miles. Rates provided by this item may not be used in combination with any other rates.</p>			0310
<u>FROM</u>	<u>TO</u>	<u>RATE</u> (See Note)	
Point of growth or storage	Point of storage or Point of use in Animal Husbandry	14	
NOTE.--Minimum charge per shipment-----		\$6.95	
<p>o Increase, Decision No. 86266</p>			
EFFECTIVE			
<p>Correction ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p>			

SECTION 4--TERRITORIAL COMMODITY RATES (In Cents Per 100 Pounds)				ITEM
HAY, in machine pressed bales (See Note 2) Minimum Weight 40,000 Pounds				
(1) FROM:	RATES (See Note 1)			
	(1) TO POINTS IN:			
	Los Angeles- Artesia Territory	Los Angeles- Artesia (San Fernando) Intra- Territory	San Diego Territory	
Barstow Territory-----	50	--	--	
Coachella Valley Territory-----	48	--	51	
Fresno Territory-----	73	--	--	
Imperial Valley Territory-----	62	--	48	
Lancaster Territory-----	44	34	--	
Merced Territory-----	83	--	--	
North Kern Territory-----	58	--	--	
Palo Verde Territory-----	63	--	--	
Salton Sea Territory-----	55	--	51	
South Kern Territory-----	50	--	--	
Tulare Territory-----	64	--	--	
(1) See Section 2 for description of territories.				
NOTE 1.--				
(a) The provisions of Items 120, 130 and 190 do not apply in connection with rates in this item.				0400
(b) Shipments into either the Los Angeles-Artesia or San Diego Territory, for which transportation charges are assessed upon a basis of a minimum weight of 30,000 pounds or more, may, upon order of consignee or consignor, be stopped once within either the Los Angeles-Artesia or San Diego Territory and, under the rates set forth above, be held in transit without being unloaded from carrier's equipment pending subsequent delivery.				
(c) When upon order of consignee or consignor, a shipment is stopped within either the Los Angeles-Artesia or San Diego Territory and held in transit without being unloaded from carrier's equipment, 48 hours free time (computed from the first 7:00 a.m. after time of arrival at point where shipment is held) will be allowed for furnishing to the carrier instructions to deliver the shipment to the point of destination where it is to be unloaded. The free-time period will be 96 hours, if the point of destination is located outside the territory within which the shipment was initially held in transit. A charge of \$38.65 will be assessed for each 24-hour period, or fraction thereof, that the carrier's equipment is detained subsequent to the free-time period specified herein. In computing time in accordance with these provisions, Sundays and legal holidays will be excluded.				
NOTE 2.--An additional charge of 6½ cents per 100 pounds shall be assessed for loading field pickup shipments as defined in Item 180, other than when loading is performed by a power operated hay loader.				
◊ Increase, Decision No. 86266				
EFFECTIVE				
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.				
Correction				

MINIMUM RATE TARIFF 14-A

SECTION 5--DISTANCE COMMODITY RATES (Concluded) (In Cents Per 100 Pounds)						ITEM
Grain, Rice, Grain Products, Animal or Poultry Feed, Seeds, and Related Articles, as described in Items 515, 520, 525, and 530, in bulk or in bins or in containers otherwise specified.						
MILES		RATES (See Note 1)				
		MINIMUM WEIGHT IN POUNDS				
Over	But Not Over	10,000 (See Note 2)	20,000	30,000	40,000	52,000 (See Note 3)
0	3	21	17½	13½	10	9
3	5	23	19	15	11½	9½
5	10	25	21	16½	12½	10½
10	15	26	23	17	13½	11
15	20	29	24	19	14½	11½
20	25	31	25	20	16	12½
25	30	32	26	21	17½	14½
30	35	35	29	23	19	16
35	40	38	30	24	20	17
40	45	40	31	25	21	17½
45	50	43	32	26	23	18
50	60	46	35	29	25	19½
60	70	50	38	31	27½	20½
70	80	54	40	32	29	22
80	90	58	43	35	30	23½
90	100	62	44	38	32	24½
100	110	65	46	40	35	25½
110	120	69	49	43	36	27
120	130	73	50	44	38	29½
130	140	76	52	46	42	31
140	150	80	55	49	43	32
150	160	84	58	51	45	33
160	170	87	60	54	48	35
170	180	90	63	55	50	36
180	190	93	65	58	52	38
190	200	96	68	60	54	40
200	220	101	71	64	58	44
220	240	107	75	69	60	46
240	260	112	79	71	64	49
260	280	116	83	72	68	51
280	300	122	87	79	71	55
300	325	127	90	83	75	59
325	350	130	95	87	78	64
350	375	136	99	90	82	68
375	400	140	103	95	84	71
400	425	146	107	99	87	75
425	450	150	111	101	89	79
450	475	155	114	105	92	83
475	500	160	120	108	95	87
For distances over 500 miles, add for each 25 miles or fraction thereof:		04	04	03	03	03
NOTE 1.--On all Field Pickup Shipments, as defined in Item 180, add the charges provided therein to the rate otherwise applicable. NOTE 2.--Rates for shipments weighing less than 10,000 pounds are provided in Minimum Rate Tariff 2. NOTE 3.--Rates in this column are subject to the provisions of Item 512.						
<input type="radio"/> Increase, except as noted) <input type="radio"/> No Change) Decision No.						
86266						
EFFECTIVE						
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.						
Correction						

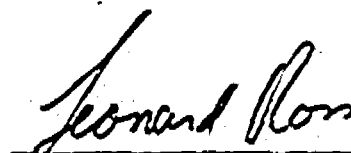
MINIMUM RATE TARIFF 14-A

SECTION 6--DISTANCE COMMODITY RATES (Concluded) (In Cents Per 100 Pounds)						ITEM
SEEDS, viz.: Cotton, Flax or Safflower.						
<u>MILES</u>		RATES	<u>MILES</u>		RATES	
Over	But Not Over		Over	But Not Over		
0	3	9	130	140	31	0600
3	5	9½	140	150	32	
5	10	10½	150	160	33	
10	15	11	160	170	35	
15	20	11½	170	180	36	
20	25	12½	180	190	38	
25	30	14	190	200	40	
30	35	16	200	220	44	
35	40	17	220	240	46	
40	45	17½	240	260	49	
45	50	18	260	280	51	
50	60	19½	280	300	55	
60	70	20½	300	325	59	
70	80	22	325	350	64	
80	90	23½	350	375	68	
90	100	24½	375	400	71	
100	110	25½	400	425	75	
110	120	27	425	450	79	
120	130	29½	450	---	(1)	
(1) Add to rate for 450 miles, 03 cents per 100 pounds for each 25 miles or fraction thereof.						
o Increase, except as noted) o No Change) Decision No.						86266
END OF TARIFF						
EFFECTIVE						
Correction ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.						

CONCURRING OPINION OF COMMISSIONERS LEONARD ROSS AND ROBERT BATINOVICH:

We concur in this decision on the assumption that, in future proceedings in this case, the Commission intends to base minimum rates on the level necessary to prevent predatory practices, rather than attempt to set minimum rates which would automatically or customarily be the going rates or to routinely offset higher costs through minimum rate increases. Parties seeking to increase minimum rates will bear the burden of showing that carriage at any lower level of rates would constitute a predatory practice, and that minimum rate increases are the most appropriate means for preventing such practices. Evidence of cost increases since the previous minimum rate decision, while relevant, will not be dispositive of this issue.

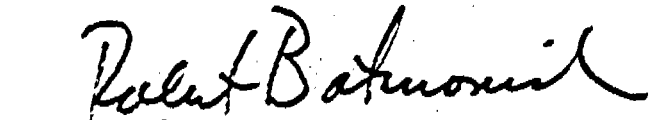
The term "predatory practices" refers to price cutting to a below-cost level with the intent and likely effect of driving out or substantially injuring competing firms.



Leonard Ross
Commissioner

San Francisco, California

August 17, 1976



Robert Batinovich
Commissioner