

Decision 89 06 004 JUN 7 1989

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
Joe Costa Trucking (T-69434) for)
authority to depart from the)
provisions of General Order 147-A)
by publication of a tariff rule)
which represents a departure from)
existing documentation requirements)
on split pickup and split delivery)
shipments.)

ORIGINAL

Application 89-02-039
(Filed February 21, 1989)

O P I N I O N

Joe Costa Trucking (applicant) is a for-hire carrier conducting operations in California under various operating authorities issued by the Commission and on record in file No. T-69434. This proceeding concerns the minimum rates on applicant's transportation of lumber as a highway common carrier.

Applicant has filed to request relief from the provisions of Rule 7.1 of General Order 147-A and from the tariff rules regarding documentation on split pickup and split delivery shipments. Rule 7.1 is entitled "Cost Justification" and states that "the cost justification shall contain a complete description of the transportation to be performed."

Applicant's primary concern is with the split-pickup and split-delivery regulations in Transition Tariff 2 (formerly Item 162, Minimum Rate Tariff 2). These regulations require that the consignor hand the carrier several documents at the time of or prior to the initial pickup. One form must be issued for each pickup or delivery and include sufficient detail to fill a bill of lading on the part covered by the document. In addition, a single document is required setting forth the total number and kind of packages, a description of the items transported, and weight of the items transported. If the carrier does not have these papers when

the shipment is picked up, each split pickup and delivery must be rated as a separate shipment. If the carrier has the papers in hand, all pickups and deliveries are combined as a single shipment. If rated as one shipment the rate is much lower than rating each pickup or delivery as separate transportation.

Applicant is frequently hired by lumber brokers, who first call the lumber mill to arrange the sale of one or more truckloads of lumber. The lumber mill does not know the destination of the load or loads, and may not be told the name of the carrier. The broker then calls the carrier who picks up the load. The carrier may be notified of the destinations at the time of the first call, or later on, at some point in transit. The carrier must assess and collect the higher less-than-truckload rates for this transportation on each split pickup or delivery, since each must be rated as a separate shipment if the documents are not presented at the time of pickup. If the documents are ready when the load is picked up, the entire transaction qualifies for the imposition of truckload rates, which are much lower than the less-than-truckload category. Applicant and its customers are thereby disadvantaged by the requirement of charging and paying the higher rates, when others can always qualify for the lower rate by knowing the destination of the load before the truck leaves after it is loaded.

Applicant is requesting that it be authorized to charge the truckload rates on this transportation even though shipping documents are not prepared when the carrier leaves with the load. Thus it is seeking authority to deviate, or depart from the requirement that the shipping documents be prepared at or prior to the first pickup. A requirement that documents covering the transportation be prepared and mailed to the person issuing the verbal instructions to the carrier within 48 hours after pickup will be substituted for the presentation of documents at or prior to pickup.

Copies of the application were mailed to the Bay Counties Dump Truck Association in Sunnyvale, the California Carriers Association, California Dump Truck Owners Association, California Trucking Association, and the Highway Carriers Association. The filing of the application was noticed in the Commission's Daily Calendar on February 23, 1989, and there have been no protests or requests for a hearing. The Commission's Transportation Division has also recommended that the application be granted.

Findings of Fact

1. Applicant transports lumber and allied products as a highway common carrier.
2. Applicant is subject to the provisions of Transition Tariff 2, which require the completion of shipping documents on split pickup or split delivery shipments prior to picking up the load.
3. Applicant asks that it be excused from the need to have all shipping documents prepared for presentation at the time of pickup, and that it be authorized to adopt and apply a substitute rule which would require the shipping documents to be prepared and mailed to the person issuing the verbal instructions to the carrier within 48 hours after the pickup.
4. If applicant's proposal is approved, applicant will be able to apply the lower truckload rates to all split pickup and split delivery shipments. Applicant presently is required to charge and collect the much higher less-than-truckload rates on these shipments.
5. There have been no protests.
6. The Transportation Division has recommended that the application be granted.
7. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.

2. Applicant should be authorized to depart from the requirements of General Order 147-A to the extent necessary to publish the provisions set forth in Appendix A attached hereto.

3. This order should be made effective today to authorize applicant to charge the same rates as other carriers who provide this service.

ORDER

IT IS ORDERED that:

1. Joe Costa Trucking is authorized to depart from tariff regulations and the provisions of General Order 147-A to the extent set forth in Appendix A attached.

2. In all other respects, the provisions of General Order 147-A and the applicable tariffs shall apply.

This order is effective today.

Dated JUN - 7 1989, at San Francisco, California.

G. MITCHELL WILK
President
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners

Commissioner Frederick R. Duda,
being necessarily absent, did
not participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Victor Weisser, Executive Director

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APPENDIX A

In lieu of the requirements of Paragraph C.2., a party other than the consignor, having authority or responsibility to arrange for transportation of the shipment, may furnish verbal instructions to the carrier sufficient to enable preparation of a bill of lading in compliance with Item 360 of the Governing Classification, plus such other instructions as will enable the carrier to make proper delivery of each component part of the shipment; provided, however, that in such circumstances the carrier shall prepare a confirming written document within 48 hours after pickup of the shipment, which document shall be forwarded to the party issuing the verbal instructions.

(END OF APPENDIX A)