

Decision 89 06 037 JUN 21 1989

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of D. Hill Trucking )  
 (T-76745) for authority to depart )  
 from provisions of General Order )  
 147-A to make publications allowing )  
 split pickup and split delivery )  
 on the same shipment, and for )  
 authority to depart from long- )  
 and short-haul prohibitions to the )  
 extent necessary to make such )  
 tariff publications. )

Application 89-01-038  
(Filed January 27, 1989)

O P I N I O N

By this application D. Hill (Hill), an individual doing business as D. Hill Trucking, requests authority to depart from the cost justification requirements of Rule 7 of General Order (GO) 147-A in order to publish certain amended tariff provisions.

Hill holds highway common carrier and highway contract carrier authorities issued by this Commission to operate within California, under File T-76,745. Under the sought authority, Hill would be allowed to perform both split pickups and split deliveries on the same shipment. Existing provisions of Hill's Local Freight Tariff 100 do not permit these services on the same shipment. In support of his request, the carrier alleges generally as follows:

Hill engages primarily in truckload operations, generally transporting shipments from one consignor to one consignee. Occasionally, Hill transports less than truckload (LTL) shipments, and sometimes transports both truckload and LTL shipments under split pickup or split delivery provisions of his tariff. From time to time, shippers have requested performance of both split pickup and split delivery on the same shipment, generally occurring in connection with coordinated movements involving a split delivery shipment, whereby one of the intermediate consignees also has goods

to be transported on behalf of the original shipper. Under his tariff provisions, Hill has had to treat these coordinated movements as separate shipments because his tariff does not permit split pickup and split delivery on the same shipment. This prohibition is a carryover from the Commission's former minimum rate and transition tariffs. There appears to be no particular reason for continuing this prohibition today. Furthermore, Hill's analysis has determined that there is virtually no cost difference between stopping to unload part of a shipment versus stopping to load the same freight.

Hill asserts that the impact on his revenues would be negligible, while the added flexibility to shippers is important. There would be no reductions in actual rate levels as a result of this change; however, Hill's shippers would receive the benefit of lower freight charges when consolidation results in shipments being transported at lower rates than would otherwise occur if shipments were separately tendered and rated.

Because GO 147-A provides no mechanism for securing the proposed relief except through cost justification, which in this case would require (1) justification of Hill's entire rate structure or (2) through a formal application seeking relief from the cost justification requirements, the carrier has chosen the latter course as the most reasonable in these circumstances.

Hill asserts that his request does not involve a matter which significantly affects energy efficiency. He also believes that there is no opposition to the new item as proposed. He requests ex parte handling of the application, absent protest. Hill proposes to accomplish the sought authority by publishing the tariff items contained in Appendix A to his application and as set forth in this decision. Notice of filing of Hill's application appeared in the Commission's Daily Transportation Calendar. No protest to granting of the application has been received. In the

circumstances, the request is reasonable and necessary and will be granted.

Findings of Fact

1. Hill operates as a highway common carrier and as a highway contract carrier under authorities issued by this Commission.

2. Under the provisions of Hill's Local Freight Tariff 100, naming rates and rules for Hill when operating as a highway common carrier, the carrier is prohibited from performing both split pickup and split delivery on the same shipment.

3. Hill has had requests from shippers to perform split pickup and split delivery on the same shipment.

4. The prohibition against performing split pickup and split delivery on the same shipment is a carryover from Commission minimum rate tariff and transition tariff provisions. There appears to be no particular reason why these services should not be allowed on the same shipment under the present regulatory program applicable in connection with the transportation of general freight.

5. The rules proposed by Hill for publication in his Local Freight Tariff 100, set forth in Appendix A to his application and this decision, appear reasonable and necessary and will allow the carrier to perform both split pickup and split delivery on the same shipment.

Conclusions of Law

1. The application should be granted.
2. Since there is no protest to Hill's request, the effective date of this order should be today.

ORDER

IT IS ORDERED that D. Hill is authorized, on 5 days' notice, to publish the rules set forth in Appendix A in his highway common carrier tariff, and to depart from the long- and short-haul provisions of Public Utilities Code § 460 to the extent necessary to accomplish this publication.

This order is effective today.

Dated JUN 21 1989, at San Francisco, California.

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

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

*Victor Weisberg*

VICTOR WEISBERG, Executive Director

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(I) SPLIT SHIPMENT means:

- (A) A shipment consisting of two or more component parts 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.
- (B) 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.
- (C) A shipment consisting of (a) two or more component parts 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, and (b) two or more component parts picked up by the carrier within a period of two calendar days for one person, firm or corporation at more than one point of origin.

All transportation charges in connection with split shipments must be paid by one debtor. Carrier will not prorate or apportion freight charges or accessorial service charges between or among consignors, consignees or other parties.

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SPLIT SHIPMENTS

1. Split shipment privileges will be extended by the carrier, subject to provisions of this item. In such circumstances, all freight charges must be paid by one consignor or one consignee and freight charges must be computed on a weight of not less than 5,000 pounds.
2. Except as otherwise provided, the provisions of this item do not apply to:
  - (a) Shipments, including any component part thereof, moving under Collect on Delivery (C.O.D.) provisions.
  - (b) Shipments, including any component part thereof, transported on Order Notify Bills of Lading.
3. Application of the provisions of this item is subject to the following conditions:
  - (a) Each shipment shall be limited to the following numbers of pickup and delivery components combined, except that in no event shall there be more than two pickup components in addition to original point of pickup:

| WHEN THE ACTUAL OR BILLED<br>WEIGHT OF THE SHIPMENT<br>(WHICHEVER IS GREATER) IS:<br>(IN POUNDS) |                 | MAXIMUM NUMBER OF<br>PICKUP AND DELIVERY<br>COMPONENTS ALLOWED<br>WILL BE: |
|--|-----------------|--|
| OVER   | BUT<br>NOT OVER | (SEE EXCEPTION)  |
| 4,999  | 6,000           | 6  |
| 6,000  | 8,000           | 8  |
| 8,000  | 10,000          | 10   |
| 10,000   |                 | See Note   |

NOTE.--One pickup or delivery component will be allowed for each additional 1,000 pounds or fraction thereof, subject to a maximum of 20 components per shipment.

- (b) At the time of or prior to the initial pickup at original point of origin, a written document must be issued to the carrier by the consignor or debtor showing, for each component part to be picked up (pickup component) and for each component part to be delivered (delivery component), all of the information required to prepare a bill of lading in compliance with provisions of Item 360 of the governing classification.

In addition, the consignor or debtor shall provide the carrier with a single document containing written

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information setting forth in summary, the total numbers and kind of packages, description of articles, and total weight of all commodities described on the bills of lading for each delivery component. Said document shall also reflect the total number of pieces and the total weight of all commodities in the shipment and must make reference, by number or other individual identity, to each bill of lading issued for any component part of the shipment.

(c) A bill of lading form may be utilized as the single document referred to in Paragraph (b), above. However, such bill of lading will have no effect except to consolidate, for purposes of determining freight charges, information on the bills of lading covering each pickup and delivery component of the shipment.

4. The rates for transportation of shipments moving under provisions of this item shall be determined and applied as follows:

(a) Distance rates shall be determined by the distance from that point of origin to that point of destination which produces the shortest distance via the other points of origin or destination (see Exceptions A, B and C).

EXCEPTION A.--Add to the distance determined under the provisions of Paragraph (a) above, two constructive miles for each point in excess of one located within:

- (1) a single metropolitan zone, or
- (2) a single incorporated city, including the extended area thereof, but not within a metropolitan zone, or
- (3) a single unincorporated community, including the extended area thereof, but not within a metropolitan zone, designated in the Distance Table as a red point, black point or numbered junction.

EXCEPTION B.--In the event a shipment has (a) a point of origin within a mileage territory and any point of destination located outside of the same mileage territory, or (b) has any point of destination located within a mileage territory and a point of origin or any other point of destination located outside of the same mileage territory, the shortest distance shall be determined as follows:

- (1) Between a point within a metropolitan zone and a point not within the same metropolitan zone group but within the Related Mileage Territory, use for constructive mileage determination for the point within the metropolitan zone, the mileage basing points for the applicable metropolitan zone groups.

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- (2) Between two or more metropolitan zones within the same metropolitan zone group, use for constructive mileage determination the mileage basing points for the individual metropolitan zones.

EXCEPTION C.--If the carrier attempts pickup of a component part and if, through no fault of its own, said component part is not available for tender to the carrier, distance shall nonetheless be computed in accordance with provisions of this item.

5. In addition to the rate for transportation, the following additional charges shall be assessed for split shipment service

- (a) For shipments transported under distance rates, when the distance computed in accordance with paragraph 4 hereof does not exceed 100 constructive miles:

| WEIGHT OF COMPONENT PART<br>(POUNDS) |              | # CHARGE<br>FOR EACH<br>COMPONENT<br>PART (IN CENTS) |
|--------------------------------------|--------------|--|
| OVER                                 | BUT NOT OVER |  |
| 0                                    | 100 -----    | 742  |
| 100                                  | 250 -----    | 869  |
| 250                                  | 500 -----    | 904  |
| 500                                  | 1,000 -----  | 975  |
| 1,000                                | 2,000 -----  | 1265   |
| 2,000                                | 4,000 -----  | 1653   |
| 4,000                                | 10,000 ----- | 1879   |
| 10,000                               | -----        | 2076   |

- (b) For split shipments, except as provided in Paragraph (a), above:

| WEIGHT OF COMPONENT PART<br>(POUNDS) |              | # CHARGE<br>FOR EACH<br>COMPONENT<br>PART IN CENTS |
|--------------------------------------|--------------|--|
| OVER                                 | BUT NOT OVER |  |
| 0                                    | 100 -----    | 812  |
| 100                                  | 250 -----    | 982  |
| 250                                  | 500 -----    | 1067   |
| 500                                  | 1,000 -----  | 1491   |
| 1,000                                | 2,000 -----  | 2155   |
| 2,000                                | 4,000 -----  | 2650   |
| 4,000                                | 10,000 ----- | 3095   |
| 10,000                               | -----        | 3527   |

(END OF APPENDIX A)