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Decision 92-05-028 May 8, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Regulation of)
Used Household Goods Transportation)
by Truck.)

I.89-11-003
(Filed November 3, 1989)

(Appearances are listed in Attachment A.)

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PHASE II INTERIM OPINION

1. Summary of Decision

This decision resolves rehearing and implementation issues, and begins maximum rate regulation for the used household goods moving industry on September 1, 1992.

We decided in Phase I of this investigation to change our regulatory system from one based on minimum rates to a system based on maximum rates. We restated that commitment in Decision (D.) 91-03-072, when we temporarily stayed the program pending rehearing of certain issues.

In this phase (Phase II) we consider 5 issues set for rehearing from Phase I, 4 antitrust issues, and several implementation issues. As a result, we reject claims that our maximum rate program may place carriers and van lines in any reasonable jeopardy of violating federal and state antitrust laws. We thus decline to resurrect minimum rates, make other program changes, or delay the program to allow for new legislation (to provide antitrust immunity) due to this claim.

We adopt a settlement proposed by the industry, the California Manufacturers Association (CMA) and the California Public Utilities Commission's (Commission) Division of Ratepayer Advocates (DRA). The settlement resolves all the rehearing issues and most of the implementation issues, along with some Phase III issues.

We also decide the following contested implementation issues:

1. "Not To Exceed" price: A "not to exceed" price will be included on the Agreement for Service (Agreement) form on the day of the move but not before the move begins;
2. Binding Estimate or Guaranteed Price: A binding estimate or guaranteed price may be provided within our rules on estimates,

"not to exceed" prices, and minimum charges; and

3. Valuation: Basic valuation will be established at \$0.60 per pound per article at no cost; valuation above \$0.60 per pound per article will be subject to maximum rates; default valuation (if the shipper does not declare a value) will be actual cash value up to \$20,000, charged at the carrier's rate shown on the Agreement, or if no rate is shown, at no cost.

Further, we address other issues in the following ways:

1. Agreement and Freight Bill: The Agreement and Freight Bill may be combined, but if so, it must be a multipage document that allows the Agreement to be separated and issued to the shipper before the move begins. One copy of the Agreement is to be given no less than three days before the day the move begins (completed but for the "not to exceed" price and final carrier signature), and the second copy (fully completed) no later than before the move begins on the day of the move. Moreover, the Agreement must state all limitations of service that will apply;
2. Three-day Requirement: We clarify what period satisfies the three-day requirement for issuance of the Agreement and Estimate;
3. Modify Estimate: We delete from the Estimate form "Reminder to Shipper: You may obtain other estimates"; and
4. Inventory Reports: We refocus the language on inventory reports for hourly moves in the Important Information booklet to alert shippers that hourly rates may be charged for the additional time it takes the carrier to prepare the inventory report, unless the shipper waives the preparation of the inventory report.

Interim Maximum Rate Tariff (MAX) 4 (see Attachment B) will become effective September 1, 1992. This will provide

adequate time for carriers to become familiar with the new program, train staff, and print new forms. Transportation Division (TD) will conduct public information meetings throughout the state within 60 days to explain the new program and answer questions.

All existing carriers will be required to take a new test on the maximum rate program to retain their operating authority beyond April 30, 1993. This test must be passed within nine months (by April 30, 1993) of TD preparing a new examination (by August 1, 1992).

Finally, we specify the issues for the last phase (Phase III) of this investigation (see Attachment G).

2. Background

In this section, we will first briefly discuss the Order Instituting Investigation (OII), the proceedings in 1990, and the decision to adopt maximum rate regulation. We will then address the limited rehearing of some Phase I issues combined with the Phase II hearings and the antitrust issue. Finally, we will summarize the issues now before us for decision.

2.1 OII, Proceedings in 1990 and Maximum Rate Program

On November 3, 1989, the Commission issued the OII into the regulation of used household goods transportation by truck. The OII presents a framework for the comprehensive review of Commission objectives and their implementation for regulation of this industry.

After hearings in 1990, we issued D.90-12-091 on December 19, 1990. D.90-12-091 is an interim order replacing minimum rate regulation with maximum rate regulation for the truck transportation over public highways of used property (household goods, personal effects and office, store and institutional furniture, fixtures, and equipment--hereafter referred to as household goods). Existing consumer protections plus service and safety requirements were retained and expanded. Interim maximum

rates and program specifics were established in new MAX 4 for the program to begin April 18, 1991 (120 days after our order). We directed that a second phase of the investigation be undertaken to finalize the new program and the MAX 4 tariff, and identified 18 issues for further assessment. Moreover, we directed that TD conduct public information meetings and workshops within 90 days, and prepare a report to summarize the matters covered and proposals advanced at the workshops. A prehearing conference was held on January 31, 1991. One purpose of the prehearing conference was to schedule settlement discussions if the parties so intended.

2.2 Limited Rehearing and Phase II Issues

The California Moving and Storage Association (CMSA) filed an application for rehearing on January 25, 1991. CMSA alleged that the interim maximum rates did not properly account for the costs of the services performed by household goods carriers, and asked for a delay in program implementation. Separately, TD reported a number of implementation, policy, and technical concerns raised at the workshops.

On March 22, 1991, we issued D.91-03-072, in which we temporarily stayed D.90-12-091 pending a further order granting limited rehearing. We stated our commitment to a program of maximum rates and enhanced consumer protections. However, we decided to delay implementation of the new program.

On April 10, 1991, we issued D.91-04-030, wherein we:

1. Granted rehearing of five specific issues;
2. Identified 15 pre-implementation issues for further hearing, to be combined with the 5 rehearing issues;
3. Continued the stay of several, and lifted the stay of other, ordering paragraphs of D.90-12-091;

4. Directed TD to file a report setting forth its recommendations for noncontroversial technical revisions of the MAX 4 tariff;
5. Directed that 14 specified issues be considered in Phase III; and
6. Established the following schedule:
 - a. May 17 for filing direct testimony and/or settlements;
 - b. May 31 for filing rebuttal testimony and comments on settlements; with
 - c. Hearings to begin on June 10 and be completed by June 21.

We also encouraged the parties to continue settlement discussions.

2.3 Allied Van Lines' Motion on Antitrust Issues

On May 10, 1991, Allied Van Lines (Allied) filed a motion asking that two issues be added to those already identified for Phase II. Both issues address the antitrust implications of a maximum rate program.

On June 3, 1991, Allied's motion was granted by Administrative Law Judge's (ALJ) ruling, identifying four antitrust issues to be added to the investigation. (Attachment C lists the 5 limited rehearing issues, 15 Phase II further pre-implementation hearing issues, 4 added Phase II antitrust issues, and 14 Phase III issues.) Further, parties were directed to come to the June 10 hearing prepared to discuss (1) the antitrust matters that should be presented in testimony compared to those to be addressed in briefs, and (2) a schedule for considering the antitrust issue.

2.4 Hearings and Comments

On May 16, 1991, a Joint Motion for Adoption of Settlement and Stipulation (settlement) was filed by four parties:

CMSA, CMA, DRA, and Tri-Valley Transportation & Storage Company (Tri-Valley). Direct testimony was filed May 17 on issues not agreed to in the settlement. Neither rebuttal testimony nor comments on the settlement were filed on May 31 by any party.

Hearings were held June 10 and June 11 on the issues set for rehearing, further hearing, and the settlement. In addition, a schedule was adopted for the filing of testimony on antitrust issues plus additional valuation issues that arose as a result of DRA's testimony. Hearings were held on the antitrust and additional valuation issues July 11 and 12.

2.5 Statement of Issues

Four parties propose an uncontested settlement of: 5 issues set for rehearing; 11 of the issues set for further hearing, plus 6 of the issues set for Phase III.

At the first prehearing conference in Phase II, the ALJ directed that any settlement efforts be conducted and considered under standards set forth in Article 13.5 of the Rules of Practice and Procedure.¹ Under Rule 51.1(e) of Article 13.5, we will not approve stipulations or settlements, whether contested or uncontested, unless the stipulation or settlement is reasonable in light of the whole record, consistent with law, and in the public interest.

Second, the following issues are not part of the settlement but were the subject of testimony and argument, and are decided in this phase:

1. "Not To Exceed" price;

¹ Article 13.5 applies to settlements involving gas, electric, telephone, and Class A water utilities, but not necessarily to household goods carriers. Nevertheless, the ALJ directed that this article be used to govern stipulations and settlements for this proceeding, and indicated the parties could file a motion to modify the rules as necessary. No such motions were filed.

2. Binding estimates, guaranteed prices, and the "not to exceed" price;
3. Valuation;
4. What changes should be made to make the relationship between carriers and shippers less adversarial; and
5. Technical revisions to the tariff.

Third, we must decide what, if any, antitrust concerns exist with the program and what, if any, remedies are necessary. Finally, we must address implementation issues and matters to be heard in Phase III.

We will address the antitrust issue first, since, if the program fails or needs substantial revision due to antitrust problems, the settlement and other contested matters could be moot. After the antitrust issue, we will address in order the settlement, the contested issues, limited other items, and finally implementation and Phase III.

3. Antitrust Issues

Allied filed a motion requesting that we add two issues to Phase II: (1) what antitrust implications there may be with maximum rate regulation and (2) whether van lines and their agents would terminate service to avoid possible violation of federal and state antitrust law. The motion was granted which also added four antitrust issues (see Attachment C). We find no antitrust concerns which require modification of our maximum rate program.

3.1 Van Line Operation

Van lines are a network of moving companies acting together to provide long distance moving services. The van line is a company which executes written agreements with other moving companies for those companies to perform moves in the name of the van line, according to terms and condition specified in the agreement.

An origin agent typically books the move with the van line, and the van line coordinates the move for origin services (e.g., packing), equipment use, loading, hauling, destination services, backhauling, claims processing, and revenue distribution. This coordination may involve many agents (e.g., one agent to book the move, another to pack, a third to load, one or more to haul, another to unload). The van line usually determines which agent(s) will handle all or part of the move.

Van lines differ on whether the booking agent must use the van line. Allied and Nacal, Inc. (Nacal)² require their agents to relinquish shipments over 150 miles to the van lines. United Van Lines and other van lines allow, but do not require, agents to relinquish shipments.

Van lines typically own little or no equipment. Rather, the van line calls on the equipment and personnel of its agents.

Van line agreements provide a formula for revenue distribution to the van line and each agent according to the products and services provided. The van line primarily contributes coordinating and dispatching services on fronthauls and backhauls, revenue distribution, and claims processing.

3.2 Van Line and Carrier Antitrust Concerns and Recommendations

3.2.1 Van Line Rate Coordination

Witnesses representing Allied, North American, and United Van Lines (hereinafter referred to as "Van Lines") testified that certain van lines handle most California intrastate moves in the same manner as interstate moves. Federal law exempts van lines from federal antitrust laws, allowing the van line and agents to

² Nacal is a wholly owned subsidiary of North American Van Lines, Inc. certified for California intrastate household goods carriage.

discuss prices, according to the van lines. State law does not provide the same exemption, van lines assert. At present, California van lines have no need to discuss prices, van lines state, because they rely upon and use Minimum Rate Tariff (MRT) 4-C rates established by the Commission.

While rates above MRT 4-C levels are allowed by MRT 4-C, van lines testified that MRT 4-C levels are used almost exclusively. Examples of cases where rates are set above those published in MRT 4-C are shuttle service and overnight or express service, according to the van lines. Further, if the booking agent does not know the premium needed above MRT 4-C for a particular job, the agent will call the van line or another agent and ask what price is needed for the circumstances. Competitive pressures, however, rarely permit the imposition of rates higher than the minimums in MRT 4-C, van line witnesses testify. Van lines state that by using MRT 4-C minimum rates and the known formula to split revenues, each agent knows the revenue it can expect when participating in a van line move.

Under MAX 4, van lines state they will be forced to coordinate intrastate rates with their own agents because most moves will likely be below the maximum fixed rates. The van lines assert that they need either an established minimum rate, or some mechanism to discuss prices, to ensure they can price competitively while receiving reasonable revenues. This is needed so they can continue to offer the efficient, economic service presently provided, according to van lines.

3.2.2 Efficiencies

Van lines assert that their operations are efficient. Efficiencies emanate from combining loads (thereby increasing equipment utilization), providing backhauls, coordinating intermediate stops for pickup and delivery, and providing service to remote locations by load combinations that might otherwise be denied service, they claim. These efficiencies hold down costs and

reduce highway congestion, fuel consumption, and air pollution, according to van lines.

Van lines identify four problems if loads cannot be coordinated. First, many vans will be sent only partly full, requiring more trips and greater costs, according to van lines. Second, multiple phone calls might be required to locate a backhaul, where van line coordination requires only one call. If the community is small, the carrier may need to find a load in an in-between city, or in the worst case, reject the job, leaving the shipper without service unless the full price is paid for a single shipment without a backhaul. Van lines, by contrast, are suited to find backhauls from small or nearby communities, they assert. Similarly, multiple telephone calls may be needed by origin movers to fully load vans without causing delays, where only one call is needed to the van line, according to the van lines.

Third, van lines assert they specify procedures used by all agents (e.g, forms, packing requirements, claims procedures, methods of payment). Coordination between carriers using different procedures is more difficult, van lines claim. Finally, revenue distribution without van line coordination and oversight may be less timely or nonexistent, according to van lines.

Van lines assert that they cannot establish the rates for their agents. Van lines typically do not own moving equipment. Rather, local personnel are under contract to the van line, with supplies and equipment provided by the agents. Van lines are central coordinators and provide uniform standards, but neither own the equipment, nor have knowledge of the agents' costs. Therefore, a van line cannot establish the prices for its agents.

Without a minimum rate tariff, van lines claim they must face the issue of how to coordinate prices with agents. Such coordination may violate federal and state antitrust law, they assert. Van lines will be reluctant to engage in any potentially violative activity, especially with millions of dollars of

liability at risk, van lines claim. According to van line witnesses, van lines may cease to operate. Alternatively, should any remain, van lines contend it may take 7 to 9 years or more for test cases to work their way through the courts.³

3.2.3 Legal Concerns

Van lines point to the federal Sherman Act, California's Cartwright Act and California's Unfair Practices Act (UPA) as the laws that prohibit the types of price coordination and discussions which van lines believe will occur in the normal course of their operations under MAX 4. These laws generally proscribe contracts, combinations or conspiracies that involve unreasonable restraints of trade, according to van lines. This includes price-fixing, boycotts, and market allocations.

The Cartwright Act explicitly prohibits price-fixing among transportation providers, according to van lines. The UPA prohibits unfair, dishonest, deceptive, and fraudulent practices which destroy or prevent competition, van lines assert. Van lines question whether the UPA applies to household goods carriers, but point out if it does, locality discrimination (e.g., selling at a lower price in one locale than another) is prohibited.⁴ These acts provide for criminal penalties with heavy fines and prison terms, and civil penalties of treble damages and attorneys' fees, van lines point out.

³ For example, seven years for New England Motor Rate Bureau, Inc., v. FTC, 908 F.2d 1064 (1st Cir. 1990); 9 years for Southern Motor Carrier Rate Conf. v. United States, 471 U.S. 48 (1985), according to van lines.

⁴ Van lines claim locality discrimination "...has been interpreted to prohibit price discrimination between businesses located across the street from one another. Harris v. Capital Records Distributing Corp., 413 F.2d 139 (Cal. 1966)." (Van line Brief, p. 15.)

According to van lines, both vertical and horizontal price-fixing claims might be asserted. Van lines claim that price discussions and agreement between van lines and their agents doing business in California under MAX 4 would leave them open to attack for per se violations of the Sherman Act for vertical price-fixing. Agents of a van line within a geographic area each hold their own permit and can compete with each other for each job. If the van line sets the price for all its agents, the agents may all be vulnerable to charges of horizontal price-fixing between the agent competitors.

If van lines attempt to set the rate for all moves made under the van line's authority, the van line will need to discuss the rates with its agents, according to van lines. This is so since the agents, not the van lines, bear most of the costs, van lines assert. Van lines argue that they cannot unilaterally impose rates on agents without obtaining cost information from their agents. This would again open van lines to charges of horizontal and vertical price-fixing, van lines assert.

Van lines join CMSA in the concern regarding UPA violations. Van lines assert that backhauls charged below the fully distributed cost may subject the carrier and van line to charges of price discrimination under the UPA. This will cause more empty backhauls and significant inefficiencies (e.g., highway congestion, fuel consumption, air pollution).

Van lines claim no defenses are available. State law does not provide exemption from antitrust law as does federal law. The state action immunity defense (Parker v. Brown, 317 U.S. 341 (1943)) may not be available, according to van lines, since the Commission will not review movers' rates below the maximum rate level. The filed rate doctrine defense (Keogh v. Chicago and Northwestern Railway, 260 U.S. 156 (1922)) may be abrogated by Max 4, Van lines assert, since the only rate filed with the Commission is the maximum rate. Nor will the Commission approve carrier-filed

rates, according to van lines, and the Commission will not regulate rates below MAX 4.

3.2.4 Van Line Cited Impact
and Recommendations

Van lines conclude by asserting that maximum rate regulation creates uncertainty due to the potential application of the antitrust laws. The significant antitrust questions raised by MAX 4, according to van lines, will take years to resolve through the courts. Legal uncertainties could render them very reluctant to continue doing business in California under MAX 4, according to van lines, since it could simply be unacceptable business risk for a van line "to roll the dice" (Van line Brief, p. 32) and await the outcome of years of litigation that may cost millions of dollars in potential damages. Van lines assert the practical effect of the change to maximum rate regulation is the potential loss of significant efficiencies in California. Van lines recommend that either (1) MAX 4 be stayed until the California legislature provides limited exemptions from the Cartwright Act and the UPA, and articulates a state policy in favor of van line agent discussions and agreements or (2) the Commission establish a minimum rate tariff, along with the maximum rate tariff.

3.2.5 CMSA: Antitrust Impact
on All Coordinated Shipments

CMSA agrees with van line analyses and assertions. Moreover, CMSA argues that the same concerns apply to all shipments coordinated between permitted carriers, whether or not agents of a van line.

CMSA renews its arguments from Phase I that the UPA applies to California used household goods carriers. The UPA prohibits pricing below fully allocated cost, including all variable and fixed costs, according to CMSA, citing Turnbull & Turnbull v. ARA Transp., Inc. (App. 3 Dist. 1990) 268 Cal. Rptr. 856, 219 Cal. App. 3d 811, (rehearing denied and modified, review

denied). CMSA argues that notwithstanding D.90-12-091, MAX 4 exacerbates the potential antitrust problems for violations of the UPA, and, in fact, encourages pricing practices that are dangerously close to violating that law.

CMSA argues that approximately \$90 million of California's \$300 million annual used household goods market involves distance shipments over 150 miles where the consolidation and pooling of shipments is most critical to efficient operations. To the extent the UPA applies, CMSA asserts the local market share, or about \$200 million, is also at risk, in addition to the \$90 million.

CMSA claims that without either a rate floor or antitrust immunity three possible outcomes are likely: (1) movers will act independently and inefficiently; (2) movers may attempt to peg, stabilize or fix prices in violation of the law; or (3) some movers may attempt to capture greater shares of the market through destructive pricing practices and effectively destroy healthy competition.

CMSA agrees with van lines that the solutions are either (1) legislation to provide antitrust immunity equivalent to federal statutes or (2) implementation concurrent with MAX 4 of a floor or default rate which recovers all costs required by law (e.g., fully allocated costs under the UPA; all costs identified in Public Utilities (PU) Code § 5191).

3.3 DRA and CMA

DRA and CMA do not agree with van lines and carriers that MAX 4 places in jeopardy of violating antitrust law either van lines and their agents or nonvan line carriers who coordinate shipments with other carriers. DRA points out that van lines and carriers do not allege that MAX 4 violates antitrust laws. Rather, according to DRA, what they really seek is a statement from the Commission clarifying whether their operations under MAX 4 pose potential antitrust liability.

DRA asserts the Commission's existing rules and regulations provide immunity from possible antitrust liability. Or, DRA offers, if the existing regulations should not completely satisfy the question, the Commission has the power to amend its rules to overcome perceived deficiencies.

3.3.1 State Action Doctrine

DRA argues that the state action doctrine provides immunity to van lines and carriers. DRA contends that the state action doctrine, as articulated by the U.S. Supreme Court (Parker v. Brown, 317 US 341, 350-1), holds that Congress did not intend to remove the power of the states to establish their own systems of economic regulation. State agency action, and that of private parties pursuant to a state regulatory system, are not subject to antitrust liability, according to DRA.

State action doctrine immunity requires meeting two tests, according to DRA: (1) the activity at issue is being conducted pursuant to the clearly articulated and affirmatively expressed policy of the state; and (2) the activity is subject to the active supervision of the state. The activity, DRA claims, is the setting of maximum rates for used household goods carriers. This activity is clearly articulated and affirmatively expressed in PU Code § 5191, according to DRA, wherein the Commission is authorized to set maximum rates. Moreover, DRA cites Southern Motor Carriers (supra, p. 14, fn. 3) to assert the activity need not be compelled but merely permitted by the regulatory policy of the state.

DRA claims that the active supervision test is further divided by the court into two parts: (1) whether the regulatory agency has the power to review and disapprove anticompetitive acts that fail to accord with state policy, and (2) whether it sufficiently exercises that power. DRA argues that Commission jurisdiction is broad in this industry (including rate setting,

rate review, licensing and enforcement), and the first test is thus met.

Regarding the second test, the very existence of a comprehensive regulatory scheme is evidence that regulatory control is actually exercised, according to DRA. General Order (GO) 102-H (which defines the contractual relationship between prime carriers and subhaulers) and this very investigation itself are further evidence, DRA claims. There is an administrative mechanism in place for aggrieved parties to register their complaints and be heard, DRA argues. The California Supreme Court is available and empowered to force the Commission to act if the Commission does not, according to DRA. DRA claims that the court in New England Motor (supra, p. 14, fn. 3) stated that the presence of even two of these elements in the exercise of supervision would suffice as substantive oversight. DRA concludes that the Commission meets the second part of the active supervision test.

DRA asserts that the Sherman Act was intended to promote competition, which is exactly the purpose of MAX 4. Active supervision by the Commission of all rates below the maximum levels is not required by the state action doctrine, according to DRA. The regulatory scheme itself is sufficient for the invocation of the state action defense, DRA claims. Moreover, there is nothing in the state action doctrine that requires the economic philosophy of the state's regulatory program to be consistent with federal antitrust aims, DRA argues, citing New England Motor (supra, p. 14, fn. 3).

Finally, DRA finds that van lines and carriers do not establish that MAX 4 will constitute an impermissible burden on interstate commerce, and would therefore be subject to federal antitrust law.

3.3.2 Cartwright Act and UPA

DRA points out that violations of the Cartwright Act require intent to restrain trade with an unlawful purpose or by unlawful means. Moreover, DRA cites California Business and Professions (B&PC) Code § 16725 to support its assertion that van lines price discussions as presented in this record do not violate the law:

"It is not unlawful to enter into agreements or form associations or combinations, the purpose and effect of which is to promote, encourage or increase competition in any trade or industry, or which are in furtherance of trade."
(B&PC § 16725.)

DRA argues that if there is any conflict between the Cartwright Act and subsequent law, the later legislation is controlling, citing Nelson C. Reilly (1948) 88 C.A. 2d 303, 198 P.2d 694. DRA claims that Senate Bill 210⁵ was passed in 1989 (after the Cartwright Act) and is a reaffirmation by the legislature and governor of the Commission's responsibility to determine the type of rate structure that best suits the industry, including the option of maximum rates.

DRA repeats its argument from Phase I that the UPA does not apply to household goods carriers.

3.3.3 Prime Carrier-Subhauler

DRA argues that when van lines require shipments be relinquished (or an agent elects to do so), the van line becomes the prime carrier and all agents become subhaulers. DRA claims this is just as true when two or more nonvan line carriers agree to

⁵ Senate Bill 210 modified some sections of the Household Goods Carriers Act (PU Code § 5101, et. seq.) but retained Commission jurisdiction to "...establish or approve just, reasonable, and nondiscriminatory maximum or minimum or maximum and minimum rates...". (PU Code § 5191.)

coordinate a move: one becomes the prime carrier and the other(s) become(s) the subhauler(s). Rules within GO 102-H govern that relationship, according to DRA. DRA asserts these rules expressly require that the prime carrier and subhauler agree and specify the compensation to the subhauler.

DRA states that van lines, agents, and carriers discuss prices whether or not they admit to doing so. This occurs whether it is a tacit agreement to charge no less than MRT 4-C, or an overt agreement to charge above MRT 4-C levels. DRA contends that these discussions are not intended to fix market prices for competing carriers, but rather are to determine how much is needed to cover subhauling costs, within the context of GO 102-H.

Price discussions under MAX 4 will be no more or less a violation of antitrust law than the same discussions or agreements under MRT 4-C, according to DRA. DRA believes the type of rate structure is immaterial. DRA asserts that these discussions will similarly conform with GO 102-H, however, and there is no antitrust or price-fixing exposure.

DRA points out that the antitrust issue arises only with regard to shared shipments. The concern arises because arrangements must be made between the coordinating parties, and this includes the price. DRA asserts the antitrust issue is moot in this context. It is moot because the relationship between the coordinating carriers (van line with its agent, or nonvan line coordinating carriers) becomes principal-agent, which in California is termed prime carrier-subhauler, according to DRA. There is no competition between the prime carrier and subhauler, DRA asserts. Individual agents and independent carriers can be considered horizontal competitors in the sense that they compete for the initial business, but not once the job is bid, according to DRA. The carrier selected by the shipper may contact other carriers or the van line to perform all or part of the move, DRA asserts. These carriers are not competitors at that time, DRA claims.

Moreover, van lines compete with one another, and MAX 4 not only does not inhibit competition among the van lines and independent carriers, but one of its stated purposes is to stimulate competition, DRA points out.

DRA asserts that special antitrust immunity is not needed for the prime carrier-subhauler relationship, and none is needed for household goods carriers. Nonetheless, DRA points out that one van line in the interstate market sets pricing parameters for its agents in the west, and this could be done by van lines in California as part of their agency agreement.

3.3.5 Efficiency Argument
Settled in D.90-12-091

Finally, DRA argues that van lines are not arguing that they will violate antitrust law, but rather that maximum rates will create inefficiency or cause the van lines to be noncompetitive. DRA asserts these arguments contradict the findings and conclusions of D.90-12-091, and should be disregarded.

3.3.6 CMA

CMA argues that each problem cited by those worried about antitrust violations under MAX 4 is also present under MRT 4-C. The minimum rate tariff does not establish a rate, CMA asserts, because a floor is not a rate. Every relationship between two carriers that assumes the use of MRT 4-C as the rate is an agreement to set a rate, CMA claims. According to CMA, all parties agree that it is common for service to be at rates above MRT 4-C. Such action establishes a rate by specific agreement, CMA asserts. CMA offers that MAX 4 may ease the current problem because it would eliminate the need for carriers to be subhaulers to allow division of revenue. Finally, CMA observes that the van line and carrier arguments seem to require that the Commission establish a single rate governing household goods shipments. CMA says this is an odd result, wherein antitrust law would require government to establish the rate in order to ensure competition.

3.4 Discussion

We are not convinced by van lines and carriers. We find more compelling the arguments advanced by DRA and CMA.

3.4.1 Price Discussions are not Likely to Violate the Law

Not all price discussions are illegal. We certainly envision price discussions between carriers when we require by GO 102-H that prime carriers and subhaulers reduce to writing every agreement for subhauling, including all charges payable thereunder. Moreover, van lines and coordinating carriers testify that some moves are now made at rates above MRT 4-C levels. Presumably, the booking carrier calls the van line or another carrier to determine what price the other entity needs for its part of the move. Such conversations under minimum rate regulation are now conducted consistent with the law. Similarly, those price discussions can be performed legally under a maximum rate structure.

Van lines and carriers argue that price discussions under MAX 4, necessary to simply conduct normal business, will violate antitrust law. A proposed solution is to maintain a rate that is the going market rate (in this case the minimum rate) so overt price discussions need not occur. That is, to promote price competition government must set the going market rate. Stated differently, the very laws that prevent price-fixing require the government to fix prices. We cannot agree with this conclusion. We agree with CMA that using antitrust law to require government price setting is a contradictory result.

Van lines' second solution is to delay the program until state legislation can be secured to provide intrastate antitrust immunity. In support, van lines cite the exemption that is provided van lines and carriers from federal antitrust law for interstate operations, which they assert are similar to the intrastate operations that will occur under MAX 4. We are not

persuaded. If an antitrust exemption is required, it would be required under minimum rate regulation for any discussions of prices greater than the minimum rate. Van lines do not claim one is needed for those discussions, and none exists. Moreover, van lines do not explain the rationale for it being needed for interstate moves, nor explain why it is needed for intrastate moves (other than to state the intrastate operations under MAX 4 will be similar). As we discuss below, we are convinced that whether or not it is needed for whatever reasons for interstate carriage, it is not necessary for intrastate carriage.

Discussions would be illegal that restrain trade (Sherman Act, 15 USC §§ 1-7; Cartwright Act, B&PC §§ 16720-16727) or involve an unfair, dishonest, deceptive, destructive, fraudulent or discriminatory practice by which fair and honest competition is destroyed or prevented (UPA, B&PC § 17000 et. seq.) Van line and coordinating carrier discussions described on this record are not of these types.

3.4.1.1 Business and Professions
Code (B&PC) § 16725

Moreover, B&PC § 16725 provides that:

"It is not unlawful to enter into agreements or form associations or combinations, the purpose and effect of which is to promote, encourage or increase competition in any trade or industry, or which are in furtherance of trade."

Van line and carrier witnesses describe calling the van line or another carrier to coordinate a move, arrange a backhaul or determine what price another carrier needs for his or her part of the move. Van lines and coordinating carriers discuss prices, enter into agreements, form associations and combinations as needed to promote efficiencies, reduce cost, reduce prices, increase competition, and further trade. There is nothing about a change from minimum to maximum rates that will make these discussions, including price discussions, illegal.

In its comments, van lines assert that B&PC § 16725:
"...was not enacted as an exemption from price-fixing or other anticompetitive behavior. It does not legalize price-setting discussions."
(Comments of Van Lines, February 20, 1992, p. 18.)

Van lines cite in support People v. Building Maintenance Contractors' Association, Inc. (41 C.2d 719; 264 P.2d 31).

We agree to the extent that B&PC § 16725 does not bless "price-fixing or other anticompetitive behavior" accomplished by agreements, associations or combinations the purpose and effect of which is to discourage or decrease competition or trade. But it does declare as not illegal agreements which promote competition or trade.

Further, Building Maintenance Contractors' provides little insight here. This case involves an agreement by members of an association of building maintenance contractors. The agreement is that if any building maintenance customer with an existing, unexpired contract calls for bids from any member of the contractors' association, the members whose bids are solicited will report that fact to the association. The association then makes an investigation to determine whether the price under the existing contract is reasonable, whether the service is satisfactory and whether the person soliciting the bid has any specific reason (no matter how trivial or personal), for dispensing with the services of the current contractor. If the association finds the price reasonable, the service satisfactory, and no specific reason for changing contractors, the solicited members are required to submit bids in excess of the current price by 5% to 20% of the current price. If, on the other hand, the association finds the current price unreasonable, the service satisfactory or a specific reason for changing contractors, solicited members are free to submit any bid they wish.

We are not aware of any such agreements in this industry. Nor is there any reason to believe such agreements must be made for van lines and coordinating carriers to operate under MAX 4.

While the agreement within the building contractors' association served to restrict competition and raise prices, van line and coordinating carrier operation under MAX 4 promises to increase efficiency, and thereby "promote, encourage and increase competition in the industry and in the furtherance of trade." Under MAX 4 this competition can be demonstrated by prices below what might otherwise be the minimum rate, or otherwise bid by other van lines or carriers.

We hasten, however, to caution that van lines and carriers could certainly make illegal agreements under MAX 4 that are anticompetitive (e.g., perhaps like ones made by the building contractors). We cannot therefore conclude that every agreement that van lines and carriers may reach is free from antitrust scrutiny. But we are equally certain that price discussions may occur within van lines and between coordinating carriers that are not anticompetitive, and that pricing agreements may be reached that promote competition and further trade.

The court in Building Contractors' notes that under the Sherman and Cartwright Acts price-fixing is per se illegal, but subject to a reasonable restraint of trade exception. (Building Contractors', 41 C.2d 719, 727, citing Standard Oil Co. v. United States, 221 US 1, 60.) The court explores a market share exception raised by defendants (Herriman v. Menzies, 115 Cal. 16) but notes this defense is negated by subsequent passage of the Cartwright Act. The court nonetheless examines the market share of maintenance contractors and finds it is not insignificant. Thus, in Building Maintenance Contractors' the court is considering an agreement which acts to raise price and restrict competition where defendants have a significant market share.

Defendants in Building Maintenance Contractors' do not raise a rule of reason exception argument, and the court does not explore this exception on its own. Thus, that court does not reach any rule of reason assessment that may apply to B&PC § 16725. Nor does it reach any of the particulars which may apply B&PC § 16725 to our regulation of this industry. In summary, Building Maintenance Contractors' is not on point in the instant case.

On this basis, we conclude that there is no antitrust problem. This conclusion is reinforced by our assessment of the additional arguments presented.

3.4.1.2 State Action Doctrine

We find that states may establish their own systems of economic regulation which include antitrust behavior otherwise illegal under federal law as long as two tests are met. (Parker supra; California Liquor Dealers Association v. Midcal Aluminum, Inc. 445 US 97.)

First, is the activity conducted pursuant to a clearly articulated and affirmatively expressed policy of the state? Van line and carriers would certainly be operating within a maximum rate structure. The legislature has clearly articulated and affirmatively expressed by PU Code § 5191 that this Commission may regulate this industry by a system of maximum rates. In Phase I we identified the goals and objectives for our regulation of this industry: consumer protection, economic efficiency, adequate service, highway safety, and administrative feasibility, as well as the elimination of unnecessary regulation, compliance with the law, and enforcement. (D.90-12-091, mimeo., pp. 38-39; 38 CPUC 2d 559, 585.) We considered the ratemaking options to meet our objectives. We adopted a maximum rate program (D.90-12-091, mimeo., pp. 69-142; 38 CPUC 2d 559, 598-632.). We further consider implementation of this program in this decision. This is a clearly

articulated and affirmatively expressed policy of the state, and meets the first test.

Second, is the activity under the active supervision of the state? This test is further divided by the courts into two parts: (1) whether the regulatory agency has the power to review and disapprove anticompetitive acts that fail to accord with state policy and (2) whether it sufficiently exercises that power. (New England Motor Rate Bureau, Inc. v. Federal Trade Commission, 908 F2d 1064.)

We have the authority and responsibility to supervise, and we are actively supervising this industry. We will continue to do so with maximum rate regulation as directed by PU Code § 5101, et. seq.

We have the power to review and disapprove anticompetitive acts that fail to accord with our policy. We said in D.90-11-091:

"We will make the competition in this market not only vigorous but fair. Enforcement against illegal operators (both those without a permit and permitted operators not in compliance with the law and our regulations) will be priorities to ensure fair competition." (D.90-12-091, mimeo., p. 3; 38 CPUC 2d 559, 570.)

* * *

"Our pledge to make the market competition fair can only be accomplished by using our police powers to rid the market of the unlicensed, criminal carrier. We intend to do just that." (D.90-12-091, mimeo., p. 193; 38 CPUC 2d 559, 655.)

* * *

"Our pledge to enforce fair competition applies just as much to licensed as to unlicensed carriers. We intend to apply all the tools at our disposal to enforce licensed carrier compliance with the law and our regulations...We will use these tools to promote equitable, fair competition."

(D.90-12-091, mimeo., p. 194; 38 CPUC 2d 559, 655.)

We have broad powers to regulate this industry. This includes the power to enforce sanctions against van lines and carriers who restrain trade or act unfairly, dishonestly, deceptively, destructively, fraudulently or who discriminate.

We are sufficiently exercising that power. If we fail to do so, the California Supreme Court may direct us to do so. Thus, our program meets both parts of the second test for state action immunity.

The state action doctrine does not require us to review each rate set below the maximum fixed rate. We do not believe our state regulatory programs do not require the review of every rate to qualify for the state action immunity.

We do not conclude that all activities occurring under this programs are exempt from antitrust laws. Carriers and van lines may not illegally restrain trade. But an antitrust lawsuit is not before us for decision.

We conclude that our program does not put van lines, agents or carriers in any reasonable jeopardy of violating the law.

3.4.1.3 Prime Carrier-Subhauler

Van lines and carriers assert that anticompetitive acts might arise with regard to shipments coordinated by the van line (even if ultimately only one carrier performs the move, but in the name of the van line) or shipments shared by two or more carriers. We regulate van lines and carriers sharing shipments, however, under our scheme of prime carrier-subhauler. Van lines become the prime carrier when the shipment is entered in the van line name. Similarly, the shipper signs an agreement with only one carrier--the prime carrier--even when one or more coordinating carriers agree to share a job. We require that all terms of the agreement be specified, including all charges payable to the subhauler. This recognizes the possibility that the prime carrier and subhauler discuss charges.

Price discussions under MAX 4 will be no more or less a violation of antitrust law than those under MRT 4-C (particularly those at rates above minimum rates). The type of rate structure is immaterial. As described on this record, these discussions conform with our prime carrier-subhauler regulation, and do not present antitrust or price-fixing exposure.

3.4.1.4 Communication

Van lines assert that MRT 4-C rates are used without need for further price discussion on most moves. When prices do need to be discussed, they are discussed within the law, according to van lines. Without MRT 4-C, the volume of price discussions and telephone calls will prohibit continued efficient operations, according to van lines.

To the contrary, as we discuss more fully below, we are in the middle of the information age. Compared to the communication in the 1920's, to which van lines fear we will be returning, communication today is abundant and quick. We are not persuaded that the legal price discussions which may occur between van line, agent, and coordinating carriers are so burdensome that this portion of the industry will fail because information in the 1990's is too difficult and expensive to collect, coordinate, and distribute, and too slow to allow timely agreements between parties. We acknowledge that price discussions may increase under MAX 4, and that to do so legally may require more communication than to do so illegally. Van lines and carriers present no evidence that such communication cannot be cost-effective, timely, and reasonably conducted, and we believe it can.

3.4.2 Van Line and Carrier
Recommendations

Finding no anti-trust problems, nor any increased communications costs which are not easily surmountable, we reject the proposed solutions to the alleged problem advanced by van lines and carriers.

3.4.3 Conclusions

The van line and carrier antitrust argument is speculative. Van lines and carriers discuss prices now and can do so under MAX 4 without violating antitrust law.

The efficiency argument is not persuasive. No efficiency losses are likely because van lines and carriers can continue operating without violating the law, just as they do now.

If there is an antitrust concern, our assessment of the availability of the state action immunity differs from that of van lines and carriers. Not all activity in which van lines and carriers may engage is exempt from antitrust law. But van lines, agents, and carriers are not in any reasonable jeopardy of violating the law such that we must modify or delay our program.

We reject resurrecting minimum rates or delaying our program to cure a problem that we are not convinced exists. We direct TD to monitor the industry, to continue useful data collection on the market for household goods movers.

4. Stipulation and Settlement

A Motion for Adoption of Stipulation and Settlement between CMSA, DRA, CMA, and Tri-Valley was filed May 16, 1991. The unopposed settlement addresses the issues established in D.91-04-030, and was filed according to the schedule provided in that decision. The settlement proposes resolution of the 5 issues set for rehearing, 11 of the 15 issues set for further pre-implementation Phase II hearings, and 6 of the 14 issues set for Phase III hearings. It does not address the Phase II issues of the "not to exceed" price, binding estimates, guaranteed prices,

valuation, nor does it address the antitrust issues added to Phase II by the ALJ.

Rule 51.1(e) provides that:

"The Commission will not approve stipulations or settlements, whether contested or uncontested, unless the stipulation or settlement is reasonable in light of the whole record, consistent with the law, and in the public interest."

Even though the settlement is uncontested, we held hearings to assist us in determining whether it meets the criteria of Rule 51.1(e). The settling parties made one amendment after the June hearings to further address public interest aspects of the settlement.⁶

We adopt the settlement. We are mindful of several parties' comments that any modifications to the settlement could trigger rejection of the settlement and a return to the hearing room to resolve the otherwise settled issues. We decline to invite any further delay to our program. As Commissioner Fessler said in a concurring statement to D.91-11-025 (mimeo., attachment p. 2):

"Time is not a neutral factor. It favors the interest of those who are advantaged by the status quo. Such parties trade on delay."

The settlement states that:

"The terms and conditions of this Settlement and Stipulation may only be modified in writing subscribed by all Parties." (Joint Motion for Adoption of Settlement and Stipulation, p. 10.)

⁶ The settlement originally allowed the carrier to exceed maximum fixed rates on short-notice moves (i.e., when the shipper first contacts the carrier less than three days before the move is to begin). The amendment eliminates this ability, and results in the carrier being limited to maximum fixed rates on short-notice moves.

No parties in writing subscribed by signature to Exhibit 103. This contrasts to the settling parties subscription by signature to an amendment to the settlement received as Exhibit 105-A.

Forestalling any further delays, we choose to accept the settlement as proposed and add to the Phase III issues. We will adopt the settlement, even if it contains elements that may be improved, and seek to make those improvements in Phase III.

While we are concerned about some portions of the settlement, we are satisfied that it is reasonable in light of the whole record, consistent with the law, and in the public interest. In this section we will discuss the settlement, address and explain our reasoning on whether it meets the three criteria established in Rule 51.1(e), and add as Phase III issues certain concerns we have regarding the settlement.

4.1 Proposed Settlement

Attachment D presents a detailed summary of the settlement. We will briefly summarize here the ways the settlement resolves issues differently than, or the same as, our treatment in D.90-12-091 (temporarily suspended MAX 4). Because the increase in rates is one of the major changes, we will then examine in more detail the proposed increase.

4.1.1 Comparison of Settlement with D.90-12-091

The most important changes from D.90-12-091 proposed by the settlement are (1) an increase in the maximum fixed rates and (2) a decrease from 10 days to 3 days for an estimate to be used to exceed maximum fixed rates. In summary, the changes from the maximum rate program in D.90-12-091 are:

1. The amount of increase to minimum rates in their conversion to interim maximum fixed rates, based on:
 - a. An increase in the amount of inflation;
 - b. Increases for extra helper base wages and packing materials;

- c. An allowance for overtime wages; and
- d. Decreases by eliminating factors for Proposition 111 (fuel taxes and weight fees) and average valuation charges.

On average, the percent increase is:

<u>Category</u>	<u>D.90-12-091</u> (percent)	<u>Settlement</u> (percent)
Local	30	42
Distance	27	48

- 2. A reduction from 10 days to 3 days for an estimate to be used to exceed maximum fixed rates;
- 3. The renaming of the Contract for Move and inclusion of several items on a separate page to ensure that the shipper is informed of consumer protections;
- 4. New rates for moving pianos and organs not capable of being conveniently hand carried by one person;
- 5. Retesting all carriers on the new program within one year of completion of the new test;
- 6. Endorsement of a "master agreement" to be used by multiple or repeat shippers (to allow abbreviated documentation on individual moves with reference to the master agreement); and
- 7. Hourly moves allowed up to 100 constructive miles (increased from the current limit of 50 constructive miles);

Significant similarities to the maximum rate program in

D.90-12-091 are:

- 1. Use of a general measure of inflation for the conversion of minimum rates to interim maximum rates;
- 2. A requirement that rates above maximum fixed rates can be assessed only when a

written estimate is made a minimum number of days before the move begins, which includes a disclosure of the amount to be charged above that which would otherwise be assessed using the maximum fixed rates;

3. Issuance of a contract (agreement) form by the carrier to the shipper no less than three days before the move begins;
4. Retention of the \$100 assessment to be paid to the shipper by the carrier performing the move if that carrier fails to ensure that the shipper has the Important Information booklet;
5. A percentage adjustment to the maximum fixed rates for documentation failures, producing rates that approximate minimum rates;
6. Retention of the option for the carrier to require minimums (e.g., hours, weights, packing materials);
7. A focus on enforcement, with the following specifics identified in the settlement:
 - a. Educating licensed carriers during the first few months of the program;
 - b. CMSA assisting staff to eliminate unlicensed carriers, and carriers who violate program provisions;
 - c. High-priority enforcement against unlicensed operators, including telephone disconnection in the case of unlicensed carriers who advertise; and
 - d. Detailed enforcement records kept for several purposes, including the carrier performance report;
8. Retention of constructive miles for distance moves; and
9. Not allowing carriers to charge for estimates.

4.1.2 Increase in Rates

The settlement provides for a larger escalation of minimum rates in establishing maximum fixed rates. This difference is composed of several factors. D.90-12-091 increased minimum rates by general inflation from the date they were last found reasonable (March 1987 for local and October 1987 for distance) to the latest data in the record (January 1990), or about 14% for local and 11% for distance rates. The settlement inflation escalation starts February 1986 and goes to the latest data in the record. That inflation adjustment is about 29% through March 1992.⁷

The settlement does not apply a factor for Proposition 111 fuel taxes and weight fees, where D.90-12-091 adjusted minimum rates for this impact by 0.75%. The settlement does not adjust minimum rates for average valuation revenues, representing 2.8% from D.90-12-091. The settlement adopts the same 10% adjustment factor as D.90-12-091 in converting minimum rates to maximum rates. The settlement provides for increases in extra helper base wages and packing material charges compared to D.90-12-091. Further, the settlement includes a provision for overtime wages. Overall, D.90-12-091 increased minimum rates on average about 30% for local and 27% for distance, compared to the settlement proposed increase of about 42% for local and 48% for distance:

⁷ By motion filed April 17, 1992, the settling parties move to have identified and received the consumer price indices for March 1992 that are used in the settlement (Exhibit No. 127).

Item	D.90-12-091		Settlement	
	Local	Distance	Local	Distance
(percent increase)				
Inflation	14.0	11.2	29.3	29.3
Proposition 111	0.75	0.75	0.0	0.0
Average Valuation	2.8	2.8	0.0	0.0
Adjustment Factor	10.0	10.0	10.0	10.0
Wages				
Extra Helper	0.0	0.0	15.7	0.0
Overtime				
Hourly				
Time & One-Half	0.0	0.0	50.0	0.0
Double Time	0.0	0.0	100.0	0.0
Distance (Overall)	0.0	0.0	0.0	4.0
OVERALL ⁸	30	27	42	48

The rates are, of course, the maximum fixed rates. The actual rates for any single move will be determined by market forces.

4.1.3 Reasonable in Light of the Whole Record

This settlement is reasonable in light of the whole record. The proposals are consistent with those advanced in Phase I or adopted in D.90-12-091. New proposals conform with labor law (e.g., overtime), or make provision for special items (e.g., piano moves). No party contends the settlement is unreasonable in light of the whole record.

⁸ These numbers are not additive. In some cases these are multiplicative, and in other cases not.

4.1.4 Consistency with the Law

The legislature directs our regulation of this industry primarily through PU Code §§ 5101, et. seq. The parties to the settlement assert that the settlement is consistent with the law, and no party claims otherwise (except as discussed above regarding antitrust). We find the settlement is consistent with the law.

4.1.5 In the Public Interest

This settlement could be viewed as making shippers worse off (by providing less protections) than under the program authorized in D.90-12-091: rates may be higher, overtime may be charged, carriers may exceed maximum fixed rates less than ten days before the move begins, and there are no limits on the minimums that a carrier may charge.⁹ Moreover, the settlement could be seen as shifting the balance that was carefully struck in D.90-12-091 between shippers and carriers, moving the balance to be more in favor of the carrier.

The Joint Motion argues the settlement is reasonable and in the public interest by stating:

"The signatory parties to this settlement have a well-documented history in this proceeding of strongly-held convictions, leading to multiple views regarding the regulation of household goods carriers. They have been extensively involved in negotiating and debating the complex issues involved in this phase of the proceeding for many months and represent extremely knowledgeable, experienced parties on issues involving the transportation of used household goods. In agreeing to a settlement, they have used their collective experience to produce the most reasonable proposals. The parties have struggled and succeeded in achieving a settlement agreement that they believe balances the various interests they

⁹ D.90-12-091 did not limit the minimums a carrier may charge, but pre-implementation hearing issue 11 asked whether some limit(s) should apply.

represent. The settlement represents resolution of most of the selected issues that is fair, within the law, and reasonable for the industry and for consumers. It does so in a manner that alleviate the need for major commitment of time and resources that would otherwise be required to litigate those issues." (Joint Motion, p. 10.)

The settling parties contend that the settlement still provides adequate protections while affording carriers needed flexibility that will translate into increased ability to serve. DRA says it largely relies on the market to handle the relationship between carrier and shipper. DRA offers that there should be a test period for MAX 4 operation, with subsequent assessment. DRA asserts that the settlement still places a considerable hurdle before any carrier who seeks to charge above the maximum fixed rate. That carrier must perform an on-site inspection and provide a written estimate, including a statement that the rates exceed maximum fixed rates and by how much. Under MRT 4-C there are no such hurdles. Carriers are free to charge any rate above the minimums in MRT 4-C, according to DRA.

DRA offers that the settlement continues a framework in which carriers must operate, and includes warnings to shippers in necessary areas. For example, it provides for a separate page attached to the Agreement that highlights consumer protection matters for the shipper. The reduction from 10 to 3 days for the issuance of a written estimate to exceed the maximum fixed rate will result in increased ability by carriers to serve, DRA argues.

CMA believes that what the customer gives up in the stipulation, the customer gains by a closer approximation to a deregulated market result. Moreover, CMA argues that the consumer protections that possibly are lost are of small value compared to the gain in flexibility and ability to get service from a regulated mover. CMA observes that the settlement provides for increased flexibility but maintains customer protections.

CMSA argues that the settlement provides carriers needed flexibility, which will allow proper quantity and quality of service. CMSA and Tri-Valley add that they disagree with the premise of regulating this industry by maximum rates, but that they undertook settlement negotiations to make the tariff workable for carriers and their customers, and allow proper service. The settlement provides for increased ability for carriers to serve, according to Tri-Valley.

We are persuaded that the settlement is in the public interest.

4.1.5.1 Maximum Fixed Rates

The point from which the escalation of MRT 4-C rates begins is debated. D.90-12-091 begins the escalation from the date MRT 4-C rates were last found reasonable (March 1987 for local, October 1987 for distance). CMSA argued the data for MRT 4-C was based on 1985 data (CMSA Comments on Proposed Decision of the ALJ, November 9, 1991, p. 14.), which might be the point to begin the escalation. The settlement begins the escalation February 1986. Even though the escalation begins before the point we last determined to be reasonable, the escalation is still tied to a cost index, and is not outside the range of reasonableness for cost inflation.

The settlement proposed maximum fixed rate levels are reasonable.

4.1.5.2 Three Days for Estimate to Exceed Maximum Fixed Rates

The settlement reduces from 10 to 3 the number of days before the day the move begins wherein the carrier may exceed maximum fixed rates by providing a written estimate. We selected ten days in D.90-12-091 so that the shipper would have an adequate number of days to obtain other estimates. (See D.90-12-091, mimeo., pp. 121-3; 38 CPUC 2d 559, 622-3.) We stated that 10 days would be enough for us to rely on the competition in the market to

protect shippers from excessive prices, since it gives shippers at least 9 days to get other estimates (and we presume that a lower estimate would result in the shipper using another carrier if the shipment could truly be carried for less). At the same time, allowing prices to exceed maximum fixed rates would ensure adequate service by providing that, in every case in which the shipper was willing to pay such prices, service would be provided. We discussed drawing the deadline to exceed maximum rates at 4 weeks before the move, or as late as the day of the move, and concluded that the proper balance was 10 days, saying that:

"A period of ten days gives the shipper time to contact other carriers if necessary, but is not such a long period before the move that the carrier cannot meet special needs. We find that this is adequate time for the shipper to test the market and determine if the move really costs all carriers that much or if another carrier will move the shipment for less." (D.90-12-091, mimeo., p. 123.)

We recognized, however, that an exception to the 10-day requirement may be needed for shippers who first contact the carrier less than 10 days before the move begins. (Id., pp. 151-3.) We stated that:

"We do not want to create a system that denies service to the shippers who contact carriers less than ten days before the move where the move in fact will cost more than our maximum fixed rates. But equally so, we do not want to create a system that would allow for carriers to pressure shippers to waive the protection of maximum rates." (D.90-12-091, mimeo., p. 151.)

The settling parties indicate that the relaxation of the 10-day requirement to 3 days will promote adequate service. We will adopt the three-day recommendation. This provision still means the carrier must provide the estimate in writing after an on-site inspection. Thus, carriers cannot exceed maximum fixed rates on moves arranged without an on-site inspection and a written

estimate. Moreover, the estimate must indicate that the rates exceed the maximum fixed rates and show by how much. The Agreement document must show rates no higher than the maximum fixed rate unless a valid Estimate form has been prepared. Thus, there are adequate consumer protections with a three-day rule, while allowing flexibility for unusual situations.

We are concerned, however, that there may be confusion, and an opportunity for some carriers to take advantage of some shippers, due to the the similarity between the 3-day requirement for a written Estimate to exceed maximum rates and the 3-day requirement to have the Agreement in the hands of the shipper. These are separate requirements that both happened on the same day. Some carriers (shippers) may be confused and believe that as long as they give (receive) an Estimate document on day three they do not need to provide (receive) the Agreement. Or some carriers (shippers) may think that providing (receiving) the Agreement on day three is enough to replace the Estimate (without needing to do an on-site inspection and completing the Estimate and other forms before a rate above the maximum fixed rate may be charged). Neither is true.

There may also be confusion that one requirement is waivable and one is not. That is, the shipper can waive the advance notice of rates provided on the Agreement, but cannot waive the receipt of an Estimate if rates are to exceed the maximum fixed rate. Therefore, we will ask TD to monitor this situation and include in its quarterly reports the number and change in the number of complaints, by complaint type, including:

1. Cases where carriers exceed maximum fixed rates without the provision of an at least estimate made three days before the move.
2. Documented cases of confusion between the three-day provision to exceed maximum fixed rates (upon issuance of a written Estimate

after on-site inspection) and the three-day provision to issue the agreement.

3. Cases where carriers and/or shippers have been confused between the ability of the shipper to waive the three-day advance receipt requirement to have an Agreement, and the prohibition against exceeding maximum fixed rates less than three days before the move begins (e.g., the Estimate may never be waived.)
4. Cases of confusion about the advance notice of Agreement waiver; that is, do shippers understand they are waiving the three-day advance notice requirement only, and that the completed Agreement must be delivered on the day of the move."

Thus, we are approving the settlement, but are concerned enough about the number of days necessary to produce the consumer protection effect to require monitoring. We include this as a Phase III issue, and, depending on the experience and data, we may reconsider this item.

4.1.5.3 Enforcement

The settling parties go beyond Phase II issues and offer settlement on several Phase III issues. One such area is enforcement. The settling parties make specific recommendations on enforcement priorities. These are in the public interest, and we will direct staff to adopt these priorities to the extent feasible.

4.1.5.4 Master Agreement

The settling parties also address the Phase III issue of whether the Contract (Agreement) should be useable for several moves. The settling parties recommend that a Master Agreement be allowed between shippers and carriers. This provision would allow repeat or multiple shippers to use a master agreement in place of all or part of individual Agreements. DRA testified that a master agreement is currently used by some shippers and carriers in

MRT 4-C. We see no reason to eliminate this option. We will specifically provide for a Master Agreement in MAX 4.

4.1.5.5 Constructive Mileage

Finally, the settling parties agree on the Phase III issue of the constructive mileage table. They settle on continued use of constructive miles, and an increase in the distance limitation on hourly moves from 50 constructive miles to 100 constructive miles. While they often do not offer reasons for other settled issues, in this case they explain that expanding the mileage will allow carriers additional pricing flexibility in today's market where moves up to 100 miles can be performed in a single day.

We adopt the increase in the distance limitation on hourly moves for the reason given by the parties. We will explore continued use of constructive miles in Phase III, along with increasing to 100 constructive miles other parts of MAX 4 if we retain constructive miles.

4.2 Update to Packing Material Rate

The settlement states that rates for packing materials should be set at the values in the Household Goods Carriers' Bureau tariff HGB 400-G, Item 106, for those cartons currently specified in MAX 4 (Attachment A to the settlement). Tri-Valley comments that:

"...while not specifically detailed in the Stipulation and Settlement, it was intended that MAX 4, Item 340 container rates be set at the level of HGB 400-F [sic], item 106 container rates and any supplements or reissues thereof. HGB 400-F [sic], Item 106 has been replace [sic] with HGB 400-G, Item 106 which has resulted in a container rate increase. Since MAX 4 rates are maximum rates, its Item 340 container rates should be adjusted to the intended and new level of HGB-400 [sic] G, Item 106 rates." (Comments of Tri-Valley to Proposed Decision of ALJ Mattson, March 9, 1992, p. 24; emphasis in the original.)

Just as we do not make any changes to the settlement (e.g., Exhibit 103, proposed language for the Consumer Protections and Waiver Attachment), we will not attempt to divine the "intent" of the parties here on exact wording in the settlement. The settlement does not provide for updates, the parties did not ask that we take official notice of any updates, no provision was made for a late-filed exhibit to update container rates and Tri-Valley did not include the desired rates with its comments.¹⁰

4.3 Phase III Issues

As we discussed above, the ALJ advanced certain items in his proposed decision that we will add to Phase III. Specifically, for the reasons explained in the ALJ's proposed decision, we propose to adopt:

1. Revisions in the wording of the Consumer Protection and Waiver Attachment to the Agreement, and concurrent application of the protections or waiver;
2. A requirement that no less than three days before the move begins the carrier must provide the shipper either a completed Agreement (except for the "not to exceed" price and final carrier signature) or a blank Agreement (so the shipper who elects to waive advance receipt of the Agreement can still see the other standard terms, conditions, and limitations printed on the Agreement and be informed of what items (e.g., written rate quotation) are being waived). The shipper's signature waiving advance receipt of the Agreement may be obtained on the day of the move, but issuance of a fully completed Agreement on the day of the move before the move begins --including the "not to exceed" price--can never be waived;

¹⁰ We note in contrast that there was provision made for late-filed exhibits to update the Consumer Price Index, which the settlement uses to determine the final interim maximum fixed rates.

3. A consistent statement in the tariff of "no less than three days" for issuance of the Agreement or Estimate;
4. A relaxation of the registered mail, return receipt requested, requirement for mailing of the Important Information booklet when moves are arranged and confirmed by mail or telephone. We currently require the booklet to be provided (1) on the first in-person contact or (2) by registered mail with return receipt for a move arranged and confirmed by mail or telephone. The new requirement would be to provide the booklet at the earlier of either (1) the first in-person contact or (2) when the Agreement is given to the shipper. If the Agreement is provided to the shipper by regular mail, the registered mail with return receipt requested requirement is relaxed to a requirement of delivery by regular mail, accompanied by the Agreement;
5. A new name for the Agreement: Agreement for Move;
6. Modified wording in the Important Information booklet on shippers using the Commission's toll free phone number to call for any information about the maximum rate program and public information on carriers, not just to learn if the carrier is licensed.

These items are added to Phase III issues and parties will have an opportunity to provide comments and alternatives in Phase III.

5. Phase II Issues not
Covered by Settlement

We will now address the contested issues in Phase II.

5.1 "Not To Exceed" Price

In D.90-12-091, we required that a "ceiling" or "not to exceed" price be included on the Contract (Agreement) for four reasons. (See D.90-12-091, pp. 143-57; 38 CPUC 2d 559, 633-639.) First, we wish to reduce, if not eliminate, confusion. Second, the "not to exceed" price prevents carriers undoing certain protections of MAX 4. Third, it is a less costly alternative to mandatory estimates on all moves. Fourth, it promotes efficiency.

We asked parties to address the Contract for Move and the "ceiling" or "not to exceed" price in Phase II. In addition to any other comments they might offer on these items, we specifically asked if the carrier should be required to include a "not to exceed" price no less than three days before the move begins (as in the ALJ's Phase I decision), or on the day of the move (as required by D.90-12-091). We also asked whether requiring providing such a price on the day of the move is too costly to implement and what alternatives would provide sufficient consumer protection. (See Attachment C, Phase II pre-implementation issues 4 and 5.)

In response, the industry testifies in opposition to a "not to exceed" price requirement. CMA is neutral on this concept, but nonetheless commented against it, and recommended the shipper be allowed to waive the "not to exceed" price to save costs. DRA takes no position.

5.1.1 Arguments Against
the "Not To Exceed" Price

CMSA recommends eliminating the "not to exceed" price requirement. CMSA proposes that the carrier only be required to provide "not to exceed" rates, rather than requiring the extension of those rates to a total final price. CMSA contends that the Commission should let the customer decide if he or she wants total

price certainty and, if so, the customer should request an estimate. Relatedly, CMSA offers either the term "not to exceed price" or "estimate price."

CMSA asserts such a binding estimate price cannot be given prior to the move unless the circumstances of the move and the goods are known. Knowing the circumstances requires an on-site visual inspection by trained estimators, which is prohibitively expensive, according to CMSA.

The only alternative according to CMSA is for the driver to conduct a survey and establish the "not to exceed" price on the day of the move. CMSA argues that this alternative creates an adversarial situation and is costly. The adversarial relationship is created, according to CMSA, because the driver is neither trained nor paid to negotiate a price with the shipper, the time for the crew to stand around waiting for such negotiations to conclude is cost-prohibitive, and shippers would vehemently challenge a Change Order for Services once the driver has established a "not to exceed" price. CMSA says the Commission should recognize the unique relationship between the driver (carrier) and the customer. In addition, CMSA argues that making price certainty a requirement for each move, and for the carrier to maintain his or her permit, will result in limiting capacity and forcing shippers to utilize illegal or self-move services.

Finally, CMSA argues that estimators are highly trained, skilled professionals recruited from a different labor pool than drivers. Estimators require a minimum of six months of daily training, and two-thirds of the recruits do not remain. It is unreasonable to require drivers to prepare estimates, and have the crew sit idle while the price is negotiated with the shipper.

Nor-Cal Moving Services (Nor-Cal) agrees with CMSA. Moreover, Nor-Cal argues that cases exist where a premove physical survey is neither convenient for the shipper nor is it cost-justified for the carrier (e.g., small moves, short-notice moves,

moves from repeat satisfied customers, or moves with an origin too far away to send an estimator). In addition, Nor-Cal points out that customers can be taken advantage of in the provision of any number of services, such as medicine, law or any other regulated or unregulated service. Nor-Cal recommends on nonestimated moves that the rates be mandatory but not the "not to exceed" price. In addition, Nor-Cal recommends that when repeat complaints are made against a specific carrier, the Commission's enforcement staff take appropriate action.

CMA argues that the "not to exceed" price should not be required. CMA asserts it often costs more than \$75 to send a qualified person to visit a residential address. CMA claims that for small moves, the added cost to the carrier to ensure the price is compensatory (a cost which is charged to the shipper) is greater than its worth to the shipper. The estimated price will require a premove inspection at substantial cost, or the carrier will quote an artificially high price, CMA contends. CMA asserts that without this requirement most moves can be planned over the telephone, but that even the most complete questioning by the carrier over the telephone is likely to be a poor basis for a firm price. CMA argues that the carrier should be allowed, but not required, to provide a "not to exceed" price, and should be allowed to offer a guaranteed price. Otherwise, the Commission would allow the shipper to easily waive the requirement, according to CMA.

5.1.2 Retention of "Not To Exceed" Price

We are not persuaded to eliminate the "not to exceed" price requirement. Moreover, we asked parties to address alternatives that would provide sufficient consumer protection should they recommend amendments to, or deletion of, the requirement. (See Attachment C, pre-implementation hearing issue 5.) We heard none.

5.1.2.1 Both Have Idea of Price

Shippers and carriers normally each have an idea of the total price, even without a formal, written estimate several days before the move begins. Indeed, as shippers make the self versus regulated move decision, it is reasonable to expect that they have some estimate of the total cost of each. As we said in D.90-12-091 (mimeo., p. 147; 38 CPUC 2d 559, 634), most if not all shippers get an oral description from the carrier of what the carrier will move and when, and a price estimate as they shop for carriers. Under our current program, oral estimates are illegal, not binding, and we warn shippers they should not be accepted. Testimony reveals that carriers are careful not to give a total price that would appear to be an oral estimate. Carriers answer questions shippers might ask, however, to let the shipper estimate the cost. For example, the shipper may ask, and the carrier answer, about how long it will take for an hourly move, or the average moving time per room, so the shipper can estimate the total cost.

Remarkably, the carrier also asks the shipper enough questions to make many important decisions. As CMSA's witness Hill testified:

"A trained person in an office is asked to get specific information, not from a price standpoint, but if the shipper wants to book a move to move Monday in order to establish the proper equipment and manpower to utilize how much time is going to be involved to schedule other moves and the productivity that is going to be necessary, it is important that that person obtain as much information as possible."
(Tr. 31:3332.)

That is, the carrier understands enough about the move to dispatch the right equipment, crew, and schedule this and other moves. Moreover, we would expect carriers to obtain enough

information to determine if the job will be profitable, and reject jobs that are not.¹¹

Thus, several days before the move begins, even without an estimate, shippers often have in mind a total cost figure. Similarly, carriers know enough about the move to determine scheduling, necessary productivity, and basic profitability. Whether discussed or not, both parties have some notion of the total cost.

As we said in D.90-12-091, all we ask here is that the selected carrier give the shipper basic information in writing. We expect this will be consistent with what has been told to the shipper. To the extent it is not, it provides some opportunity for the shipper to consider alternatives before the point of having the goods "held hostage" on the truck.

5.1.2.2 The "Not To Exceed" Price will not Cause Adversarial Relationships

CMSA contends that an adversarial relationship will be created if the driver surveys the goods and establishes the "not to exceed" price on the day of the move. CMSA argues that this will be so because of lack of driver training to negotiate price, idle crew time, and vehement challenges to change orders. We disagree.

First, regarding inadequate training, we note that CMSA contends the labor pools are different for drivers and estimators, and that it would take considerable cost to train a driver to be an estimator. CMSA asserts that estimators are often college-educated, but presents no evidence that persons without college education cannot prepare an estimate nor that a college education is an industry-wide generally accepted minimum requirement for the

¹¹ As we said in D.90-12-091 (mimeo., p. 63; 38 CPUC 2d 559), we will not sanction a regulatory program wherein regulated business owners do not know their costs and--by extension--whether jobs are profitable.

job. We are not convinced that drivers, crew chiefs or other crew members cannot be trained at reasonable cost and paid to prepare a "not to exceed" price, particularly when they have pre-move information and advice from the carrier's office.

CMSA argues both that moving company employees (including drivers, packers, helpers) are highly trained professionals but that drivers are from a different pool of talent. CMSA therewith argues that while highly trained professionals, drivers cannot prepare "not to exceed" prices. We are not convinced. Indeed, in the cases now where drivers, crew chiefs or other crew must secure a Change Order for Services, that carrier representative must understand enough about the details of the move and the rates that changes can be identified and negotiated.

Second, with regard to idle crew time, CMSA argues that now under MRT 4-C:

"When the door opens and the paper work [sic] is brought out, the clock goes on and the cost to the customer, the shipper, begins."
(Tr. 31:3326.)

But under MAX 4:

"The cost to the customer can't begin in this proposal or in this scenario of the driver establishing price until the fact the price has been established and the terms and conditions of the service have been established."
(Tr. 31:3326.)

The fact that the crew must wait to begin the move while the driver is preparing the "not to exceed" price will be an incentive for the driver to be efficient in its preparation. Moreover, the quoted hourly or distance rate will take account of the time spent preparing that price, and competition will prevent that rate from being excessive.

Finally, CMSA argues that with a "not to exceed" price requirement shippers will vehemently oppose change orders for services. CMSA, however, presents no information on how much

opposition there is to change orders now, only that they expect more. We are not aware that there tends to be vehement opposition to change orders now. If there is little opposition now, we are not convinced that there will be markedly more with a "not to exceed" price.

Moreover, the MAX 4 program (wherein we specify that the move must be described on the Agreement before the move begins) is exactly intended to address this situation. That is, we have the carrier describe the move on the Agreement so both parties (and eventually, if necessary, the Commission, an arbitrator or a judge) can determine what the move basically did and did not include, and whether a change order was reasonable.

We recognize the unique relationship between the driver and the customer. In fact, we believe it will be enhanced rather than harmed when the driver and the shipper have a basic written understanding of what the move will and will not include, and what the "not to exceed" price will be.

5.1.2.3 The "Not To Exceed" Price will not Limit Capacity

CMSA contends that the "not to exceed" price requirement for carriers to maintain their permit will result in limiting capacity, forcing shippers to utilize illegal or self-move services. That is, CMSA seems to conclude that this provision is so onerous that carriers will prefer to leave the industry or become illegal operators rather than comply with our regulation. Other than this unsupported statement, CMSA offers no evidence that capacity will be limited or by how much. We adopt the requirement as the stated benefits outweigh this speculative consequence.

5.1.2.4 The "Not To Exceed" Price Is Not the Same as Estimate

Moreover, CMSA seems to assume that the "not to exceed" price equals the estimate. To the contrary, they may be

distinguished by the amount of paperwork, the overlap with other duties, and the level of accuracy.

We specify the use of 3 model forms in the preparation of an estimate (Item 400: Basis for Carrier's Estimated Cost of Services; Item 410: Table of Measurements and Estimate Form; Item 420: Estimated Cost of Service). No paperwork is required in the preparation of the "not to exceed" price, other than entering the number on the Agreement.

Drivers are trained to pack, handle, and load, as CHSA testifies. The driver must survey the goods before the move begins to determine in what order to pack, handle, and load. An estimator similarly surveys the goods when preparing an estimate. There is some overlap in these duties. It is reasonable to expect that it would not take drivers incrementally that much longer to apply judgment to what they have discovered about packing, handling, and loading to prepare a "not to exceed" price with a margin for error. Stated differently, the driver's survey is a sunk cost with respect to the incremental cost of preparing the "not to exceed" price. Furthermore, drivers must already be in a position to exercise some judgment about these details (e.g., drivers already are expected to execute Change Orders when necessary).

Moreover, the level of accuracy that may be needed to prepare an estimate versus a "not to exceed" price may be different. For example, an estimate may need to be highly accurate, since the final bill cannot be higher (without a valid Change Order) and the carrier is competing with other carriers for the job several days before the day of the move. On the other hand, it is possible that a "not to exceed" price (on a nonestimated move) might contain a greater margin of error than included in an estimate since the competition with other carriers on the day of the move is less intense. While still cognizant of competition (since the shipper can cancel the move), and being sensitive to the relationship with the shipper, the driver might

include a larger margin of error in the "not to exceed" price than an estimate, and explain this difference to the shipper.

Thus, there may be important differences between an estimate and a "not to exceed" price, and these differences may impact the cost of providing each. Those arguing against the "not to exceed" price did not address these elements.

We are not convinced that "not to exceed" rates are sufficient. Indeed, we adopted the "not to exceed" price based on the testimony in Phase I that desperate carriers may take advantage of shippers in some cases. Even with "not to exceed rates" carriers may take advantage of shippers by any of the 12 ways identified by the industry in Phase I (D.90-12-091, mimeo. p. 116; 38 CPUC 2d 559, 620; e.g., the hourly rate may be set to not exceed \$80 per hour, but a desperate carrier may falsify the charges, timepad, charge portal to portal, make computation errors). Parties did not address our consumer protection concerns. The "not to exceed" price is the most reasonable, cost-effective protection.

Similarly, we see no need to adopt CMSA's recommendation to change the wording on estimated moves. We agree with CMSA that the customer should be the party to decide if they need price certainty as they shop carriers and make their selection. If they need price certainty they may elect to have an estimate. We are convinced, however, that the value to all shippers of the "not to exceed" price protection provided on the day the move begins is worth the cost.

5.1.2.5 Nor-Cal Arguments

Just as Nor-Cal points out, there may be cases where an on-site inspection before the move is impractical (e.g., small moves, short-notice moves, repeat satisfied customers, distant origins). Despite these cases, however, the day of the move the carrier must go to the shipper. The carrier the day of the move can view the goods and put in writing whatever is the understanding between the shipper and carrier about the total price.

We agree with Nor-Cal that a customer of any number of services may be taken advantage of by unscrupulous providers. Because abuses may occur in other services does not make acceptable abuses in the moving industry. We are not convinced that we should abandon our efforts here for reasonable consumer protections.

We are similarly not convinced by Nor-Cal to let enforcement staff take appropriate action after repeated complaints against specific carriers as an alternative to the "not to exceed" price. Enforcement on complaint will always be an important element of our regulation. But we will not create a regulatory scheme that relies on many customers being abused before certain foreseeable problems are addressed.

5.1.2.6 Paucity of Evidence to Support CMSA's Assertion

CMSA testified in Phase I that it costs between \$45 and \$80 to prepare an estimate. CMSA commented in Phase I that it could have shown in hearings the cost of the "not to exceed" price to be at least \$100 per move (i.e., even more than the cost of an estimate), if the issue had been raised.

In its Phase II testimony CMSA offered only unsupported statements that it is "cost-prohibitive" and "not cost-effective" to require a "not to exceed" price either no less than three days before the move begins, or on the day of the move. CMSA offered no quantitative evidence of either the costs or the benefits. In response to questions asked by the ALJ, CMSA speculated about the cost.

CMSA comments that it did not feel compelled to estimate the precise cost of providing a "not to exceed" price in Phase II. CMSA says that's because no party supported the requirement and any attempted estimation would be speculative. We are not persuaded. CMSA felt certain enough in its comments on the Phase I ALJ proposed decision to advance an estimate, which we took seriously.

5.1.2.7 Value and Role of "Not To Exceed" Price

CMA argues that the value of the "not to exceed" price for small moves is less than the cost, referring to local moves costing \$400 or less. CMA makes no such claim for large moves. CMA presents no evidence on the range and distribution of prices for moves, and does not define a large move. CMA does not say, but by implication we might conclude that "not to exceed" prices are cost-effective for moves costing more than \$400.

Similarly, CMA presents no evidence on the cost of overcharges to shippers under maximum rates without the "not to exceed" price compared to the cost of preparing the "not to exceed" price. However, we are concerned with the evidence of the cost of overcharging which accumulated under minimum rate, where the problems of low-balling, weightbumping, balloon packing, timepadding, and others, occurred. (D.90-12-091, mimeo. p. 116; 38 CPUC 2d 559, 620.) Moreover, we expect the degree and intensity of competition to increase with maximum rates. The period of readjustment when maximum rates are first introduced is the period when the "not to exceed" price is most necessary.

We do not think the carrier will quote an artificially high "not to exceed" price. We expect responsible carriers to include a reasonable margin for error in the "not to exceed" price, and explain that to the shipper. Shippers may not accept final "not to exceed" prices that are excessive. The actual price paid is limited to the lower of either (1) the rates quoted times the actual time or weight or (2) the "not to exceed" price. Therefore,

shippers get the benefit of the lower of the two prices while carriers have an incentive to prepare a reasonable "not to exceed" price and perform the move efficiently with minimal loss and damage. Carriers have this incentive because they face some competition from other carriers (e.g., an excessive "not to exceed" price may make the shipper cancel the move), and they need to maintain a good relationship with the shipper (which an excessive "not to exceed" price will jeopardize).

We are also optimistic that certainty over the final price (plus signed changed orders) will require the carrier to unload the goods even if there is a dispute over the move. We heard sufficient testimony in Phase I about goods being held hostage to wish to reduce this potential outcome wherever possible.

CMA argues that but for the "not to exceed" price most moves can be planned over the telephone. We think they still can, even with the "not to exceed" price. The carrier can, on the day the move begins, do the on-site work needed for the "not to exceed" price incrementally with the work now already performed by the driver, crew chief, or crew.

CMA contends that a "not to exceed" price should not be required, but that carriers should be allowed to make a guaranteed price bid. We discuss the role of guaranteed prices below. An optional guaranteed price, however, does not satisfy the need we find for a "not to exceed" price on all moves.

We reject the CMA recommendation to provide a simple mechanism for the shipper to waive the "not to exceed" price. A simple waiver could easily be used by desperate and/or unscrupulous carriers to pressure shippers to waive away this right in order to perform the move. If the shipper really wishes to waive the "not to exceed" price, the shipper can allow the carrier to enter a very large number.

5.1.2.8 Conclusions and Monitoring

The "not to exceed" price requirement is a good balance between all the competing forces and needs in converting to MAX 4.

The "not to exceed" price will not be revisited in Phase III (except if raised as a result of TD's monitoring, as discussed below). Parties have had adequate opportunity in Phase II to propose alternatives and demonstrate how they would address our consumer protection concerns, but failed to present evidence on such basic points as whether the costs of the "not to exceed" price outweigh the benefits of (1) avoiding confusion, (2) preventing abuses, (3) reducing the costs compared to mandatory estimates on all moves, (4) promoting efficiency, (5) promoting good relationships, and (6) simply putting in writing what customers generally already understand (or perhaps think they understand), thereby giving them an opportunity to correct confusion.

We are concerned, however, that the consumer protection qualities of the "not to exceed" price are compromised by allowing it to be prepared on the day of the move rather than a fixed number of days before the move.

We will ask TD to include information in its monitoring reports on whether the "not to exceed" price prepared the day of the move is serving the desired consumer protection role. If the reports indicate consumer problems, we will notify the parties of the addition of this issue, and then embark on a reconsideration of mandatory estimates, a "not to exceed" price requirement up to several days before the day of the move, or other alternatives to remedy the situation.

We next address CMA's recommendation for a guaranteed price.

5.2 Binding Estimate or Guaranteed Price Rather than "Not To Exceed" Price

Bekins asked, and we agreed, to add as a Phase II issue: "should the Commission allow binding estimates or guaranteed prices instead of a 'not to exceed' price, or both." Bekins, however, offered no testimony on this issue.

CMSA argues that there is no record for any further consideration of this issue since neither Bekins nor any other party presented testimony on this matter. Moreover, CMSA states that the terms are not now part of either MRT 4-C or MAX 4, and are basically undefined.

CMA contends that a guaranteed price would be a good selling point for carriers. Carriers did not ask for this provision, however, and in the context of our program we find that carriers and shippers already have a type of guaranteed price or binding estimate. That is, we presume a shipper will not care if the total bill comes in less than the "not to exceed" price. Carriers in effect guarantee that the price will be the "not to exceed" price, or lower, since we do not allow a higher charge (without a valid Change Order). Therefore, our program essentially allows this type of guaranteed price.

5.3 Valuation

In D.91-04-030 we decided to reexamine the level of basic valuation and valuation charges. We now decide to:

1. Make basic valuation \$0.60 per pound per article at no separate additional charge;
2. Make default valuation \$20,000, with coverage the ACV up to \$20,000, assessed at the rate stated by the carrier on the Agreement (not to exceed \$0.63 per \$100 of valuation for transportation), or if no rate is stated, at no charge;

3. Modify the Consumer Protection and Waiver section of the Agreement to make the valuation options clear;
4. Reject minimum valuation levels when the shipper elects to buy other than basic coverage, but allow carriers to establish their own minimum valuation amounts;
5. Retain the deductible options, within the full value protection (FVP) ¹² choice;
6. Retain valuation charges at the level in suspended MAX 4;
7. Update GO 136-C for these changes; and
8. Direct further inquiry on valuation in Phase III.

A brief summary of the valuation provisions in MRT 4-C and D.90-12-091 (temporarily suspended MAX 4) will provide useful background. We will then discuss the valuation evidence in Phase II.

5.3.1 Valuation Under MRT 4-C

MRT 4-C basic valuation protection against loss and damage is \$0.60 per pound per article, included in minimum rates at no separate charge. Unless the shipper expressly releases the shipment at this level of coverage, however, the shipment is deemed released (defaults) to a value of \$2,500 for local and piece moves, and a lump sum value of \$1.25 per pound times the weight for distance moves.¹³

The shipper may declare a different valuation amount, however, subject to payment of minimum valuation rates. An

¹² Full Value Protection indicates replacement value, where insurance coverage pays for the cost of purchasing an identical item in current dollars.

¹³ Average distance moves weigh 6,300 pounds, making the average distance default valuation about \$7,900.

assessment of no less than \$0.50 per \$100 of valuation is made on all valuations released to amounts other than \$0.60 per pound per article for transportation, with an assessment of no less than \$0.10 per \$100 valuation for storage-in-transit. This assessment is made on all valuations other than basic valuation, including default valuation. To avoid the additional charges under the minimum rate program, the shipper must enter in writing on the shipping order that the valuation is \$0.60 per pound per article. Basic and default coverage is for the depreciated (actual cash value or ACV) of the goods.

The shipper may also order FVP. We require that FVP shall be provided only if the shipment is declared at a minimum valuation of \$3.50 per pound. FVP rates are fixed (not minimum), and reduced rates are available if the shipper assumes responsibility for the first \$250, or \$500, of any claim. The deductible must be waived if loss or nondelivery of an item(s) is caused by the carrier.

5.3.2 Valuation in D.90-12-091
(Suspended MAX 4)

By D.90-12-091 we increased basic valuation to \$20,000. We were convinced by Phase I testimony that the basic and default values are so low that carriers have reduced incentive to take appropriate precautions while packing and transporting goods. We sought to build the incentive for a good move into our regulatory program by increasing the default value to \$20,000. We based the increase in valuation on recent legislation that requires all carriers to have minimum cargo insurance of \$20,000 per shipment.

To account for the cost of this increase in basic valuation, we raised minimum rates by 2.8% in establishing maximum fixed rates. Based on comments on the proposed decision of the ALJ, however, we also allowed carriers to assess charges up to \$126 for this default valuation, in addition to the 2.8% in maximum fixed rates. Carriers could assess lower rates to be competitive.

Shippers may declare valuations other than \$20,000 based on their actual estimate of value.

D.90-12-091 directed a Phase II proceeding to finalize program elements, including valuation amounts and charges. We modified this in D.91-04-030, to include valuation in the pre-implementation issues for further hearing in the reconstituted Phase II, with final determinations of valuation in Phase III.

5.3.3 Discussion

With this background, the parties now come forward in agreement on some changes in valuation. However, the parties do not agree on whether carriers should be allowed to charge for default valuation and whether there should be minimum valuation levels (e.g., \$1.25 per pound for ACV coverage).

5.3.3.1 Basic Valuation

Parties agree and recommend that basic valuation should be \$0.60 per pound per article at no additional charge (other than the cost already included in the rates). We agree. While in D.90-12-091 we had made basic valuation \$20,000 (but allowed carriers to assess a charge), we are persuaded for the interim that basic valuation should remain at the level in MRT 4-C at no additional charge. As discussed more below, however, we seek recommendations in Phase III on a valuation option which eliminates the \$0.60 per pound per article basic valuation and places the valuation charge for ACV (depreciated) coverage for up to \$20,000 of value in the rates for transportation and storage-in-transit.

5.3.3.2 Default Valuation and Coverage Up to \$20,000

Parties agree default valuation should be \$20,000. We will adopt \$20,000. Parties recommend, however, that it be made clear that this is coverage up to \$20,000, not \$20,000 of coverage independent of the loss or damage.

Current default valuations are \$2,500 for local and piece moves and, on average, \$7,900 for distance moves. When a claim is registered for loss or damage below the default amount, the carrier is not subject to paying the full default value. That is, for \$200 worth of loss and damage in a local move the carrier pays \$200, not \$2,500. We explained this in D.90-12-091. This principle applies whether the default value is \$2,500, \$7,900 or \$20,000. Nonetheless, the parties testify that there is confusion which can be solved by our stating the coverage is for the ACV up to \$20,000. This is a meaningless change, but, because it causes no harm, will be made.

5.3.3.3 Charge for Default Valuation

Parties disagree whether carriers should be allowed to charge for default valuation. DRA recommends that default valuation coverage should be free. DRA argues that it is the carrier's responsibility to determine the value of the property it accepts for transportation. The carrier does this, according to DRA, by securing the shipper's declaration of value. DRA claims that if the valuation portion of the Agreement is blank, this shows the carrier has failed to explain the options and obtain the required declaration. The shipper may want valuation considerably less than \$20,000, or may have insurance that covers the move. DRA argues that from an enforcement and consumer protection perspective, the carrier should not be allowed to charge the shipper for a violation of an important consumer protection rule.

Moreover, DRA points out that if the default valuation is ACV up to \$20,000, it is not possible for the carrier to know the

ACV of the shipment for which no valuation was entered on the Agreement. Consequently, there is no basis for the assessment of the charge, according to DRA.

DRA further recommends that if the shipper declines to enter a valuation amount, the carrier can annotate the form to document that the shipper refused to make a declaration. When the form is annotated in this manner, the carrier would not be required to provide the valuation coverage for free, according to DRA. Finally, DRA agrees with the TD's recommended noncontroversial tariff revision, which clarifies that the carrier may (rather than "will") charge for the default valuation.

CMSA contends that it is the shipper's responsibility if the valuation amount is left blank on the Agreement. It is unreasonable for the carrier to be required to provide free valuation protection up to \$20,000 if the shipper fails to determine and insert a valuation amount, according to CMSA.

In our minimum rate program, the shipper must pay for valuation whether the valuation amount is determined by the shipper or by default. We continue this approach for MAX 4. We do not want to create a situation where an informed but unscrupulous shipper can refuse to enter an amount and obtain valuation coverage of \$20,000 at no charge. We encourage both carriers and shippers to annotate forms as much as necessary to put in writing what they believe the conditions to be. But we will not establish a program that requires carriers to annotate forms in ways not otherwise provided on the form to address this situation.

We require that the Agreement must be in the hands of the shipper no less than three days before the day the move begins. We do this so the shipper can make informed decisions before the stress of the actual moving day. The shipper will have the Agreement along with the Important Information booklet. This provides sufficient information to the shipper so the shipper can be expected to know that a valuation declaration must be made.

Further, the settlement specifies that a separate page be made part of the Agreement which summarizes important consumer protections and provides for shipper acknowledgement of various items. We will modify that page to make the valuation options clear. Moreover, we will require the carrier enter its rates for the ACV and FVP options. The shipper will then have this information no less than three days before the move begins. If the shipper does not want the default level of coverage, the shipper has three days to make that determination and enter a different amount. If the shipper does not enter a valuation amount, we will require the valuation to be the default value of \$20,000 (where the coverage is ACV up to \$20,000). The carrier may assess a charge based on the rate entered on the Agreement (which is limited for transportation to the maximum rate of \$0.63 per \$100). Thus, for transportation valuation the most the shipper may be charged is \$126, as we provided in D.90-12-091. If the carrier fails to enter a rate, no rate may be assessed (i.e., the rate is zero dollars per \$100 of valuation).

We note that our treatment of carrier failure to enter a rate for valuation charges differs from our treatment of carrier failure to complete other parts of the Agreement. For failure to complete other parts of the Agreement, we require the maximum fixed rate be applied, less a percentage amount. The percentage reduction is intended to make the final charges approximate the result of applying the old minimum rates. (Carriers under the minimum rate program must use the minimum rate if documents are not properly completed, even if they would otherwise have assessed a higher rate.)

Applying the percent adjustment approach for valuation as we do for other documentation failures would result in the carrier

being able to charge about \$73 for failure to enter the rate.¹⁴ By contrast, under minimum rates, the default valuation is \$2,500 for local and piece, and on average \$7,900 for distance. Applying the minimum rates for ACV coverage (\$0.50 per \$100), the default collection by the carrier would be \$12.50 for local and piece, and \$39.50 for distance moves. If we sought to duplicate the result under minimum rates here, we could apply a percent to return the collection to the range of \$12.50 to \$39.50. But, under maximum rates the default coverage is raised to \$20,000. The default collection for \$20,000 under minimum rates would be \$100.¹⁵ It is excessive to allow carriers to collect an additional \$100 for failure to properly complete the form just to duplicate the minimum rate result. It is similarly excessive to allow carriers to collect an additional \$73 for failure to properly complete the form by using the same percent reduction we use for other such failures. We agree with DRA that charges for default valuation should be zero in this limited case, where the carrier has failed to enter the rate per \$100 that otherwise applies. We do this until the issue can be further examined in Phase III.

We make one other change to the rules. We specify what rates govern when there otherwise are conflicts (e.g., if there is no rate, the rate is zero). We will also amend the rules to provide that if the valuation declaration, protection levels or rates for valuation differ between the Estimate and the Agreement, the items on the Agreement will apply.

14 That is, default valuation of \$20,000 times \$0.63 per \$100 of valuation for the transportation valuation charge, reduced by 42%.

15 That is, \$20,000 times \$0.50 per \$100.

5.3.3.4 Minimum Valuation Amounts

CMSA recommends that 2 of 3 of the minimum valuation requirements from MRT 4-C be retained in MAX 4. MRT 4-C provides that a shipment not released to \$0.60 per pound must be valued no less than (1) \$2,500 for local and piece moves, (2) a lump sum of \$1.25 times the weight for distance moves, and (3) FVP can be provided only if the shipment is declared at a minimum value of \$3.50 per pound. CMSA recommends that the \$1.25 per pound for depreciated value and \$3.50 per pound for FVP be continued in MAX 4.

In support, CMSA asserts that similar minimum valuations are used by interstate haulers and other regulated states. Moreover, there are no sources for easy determination of value, according to CMSA. For example, building contents are valued by homeowners' insurance at a percent of the value of the home, unless the homeowner wants greater coverage, CMSA testifies. Further, to a suggestion that the carrier determine value, CMSA argues that it is a conflict of interest to make the person responsible for the damage (the carrier) determine the value for the compensation. CMSA contends that the shipper is the most qualified party to determine the value of the goods.

CMSA observes that there are no recent studies to show whether these values remain sufficient. Nonetheless, CMSA asserts the minimum valuations at least provide a base. Without these minimums, shippers have no guidance in determining value, according to CMSA. CMSA argues these base values are a consumer protection. Moreover, CMSA argues the record provides no evidence to support deletion of the minimum valuations.

In addition, CMSA argues that without minimum valuations shippers may declare values so low (less than \$0.60 per pound per article) they would be charged for valuation coverage that would otherwise be included in the transportation rate. CMSA contends that undervaluation may not be a problem for the shipper with a

small claim, but can be a problem in the case of major or total loss. Moreover, insurers cannot only insure the level of expected loss or damage but must insure the value of the entire shipment, according to CMSA. Without insuring the whole, CMSA asserts, there is inadequate compensation to the insurer and a higher risk factor which could affect the availability and cost of insurance for California movers.

DRA recommends that MAX 4 not require minimum valuations. Rather, DRA asserts that shippers should be allowed to weigh the risks associated with loss and damage to their shipment and obtain coverage in amounts they wish. Minimum valuation amounts would force some shippers to obtain more coverage than they may want or require, according to DRA.

DRA argues that, contrary to CMSA's claims, paid valuation at less than \$0.60 per pound per article may actually cover more than "free" valuation at \$0.60 per pound. DRA offers an example. The \$0.60 per pound coverage is per article. For a lost or damaged good that weighs 100 pounds the coverage is \$60.00. However, if the shipper declares a value of \$3,750 for a 7,500 pound shipment, the per pound equivalent would be \$0.50. If the 100-pound lost or damaged item is worth \$500, recovery would be up to \$500 (depreciated). The customer gets more protection for paid valuation at less declared per pound value, even though the valuation is below \$0.60 per pound, according to DRA. Finally, DRA argues that basing minimum valuation levels on shipment weight is unworkable since most shipments are not weighed.

We are not persuaded by CMSA that minimum valuations are necessary. We will reject a requirement for minimum valuations, but we will allow carriers to apply their own minimums if they wish.

CMSA does not recommend retaining the minimum valuation of \$2,500 for local and piece moves if the shipper elects other than \$0.60 per pound per article. This is reasonable, since some

moves may have goods worth less than \$2,500 of depreciated (actual cash) value, and we need not force the shipper to buy more coverage than necessary. CMSA recommends that the minimum valuation be \$1.25 per pound for depreciated value coverage, and \$3.50 per pound for FVP. Yet, most moves are not weighed, and would thus make this bench mark useless for most situations.¹⁶ Similar to our rejection of the \$2,500 flat minimum, we do not feel we need to force shippers to purchase on average no less than \$7,900 of ACV coverage for the approximately one-third of moves that are weighed. Neither do we think it would be reasonable to require that all moves be weighed, nor put the carrier in a position of estimating the weight.

Furthermore, there is no information to show that the minimum values as bench marks are still valid. Prices have in general increased since the minimum values were set. This is an area in which good carriers can offer their customers useful, up-to-date information and recommendations.

In the final assessment the determination of value should be up to the shipper. It is not the carrier's role to tell shippers what the shipper's goods are worth (or not worth), even though carriers have daily experience with valuation as shippers declare values on goods to be moved, plus carriers have experience processing loss and damage claims.¹⁷ Rather, shippers are in the best position to determine value, perhaps with a recommendation from the carrier if the carrier wishes to make one. To the extent

16 Exhibit 30 shows 69% of moves are hourly or piece, and 31% are distance (i.e., weighed). By revenue, 65% of revenue is from hourly and piece moves, and 35% from distance.

17 If the shipper declares an unreasonable value, the carrier may negotiate with the shipper for a reasonable determination, or may decline to carry the shipment. But it is not the carrier's role to determine the value of the goods for the shipper.

we provide a bench mark, we believe the legislature's determination of \$20,000 of minimum cargo insurance per shipment for each carrier is a reasonable guide, and should be applied if the shipper declines to make another determination.¹⁸

Therefore, we will eliminate the requirement for shippers to declare minimum amounts for valuation if they elect other than \$0.60 per pound per article. Carriers are welcome to prepare their own bench marks to help their customers estimate value, but shippers are responsible for the final determination. If the shipper makes no determination, the default value will be \$20,000. The carrier may assess a charge for default valuation at the rate stated on the Agreement.

Moreover, carriers may set their own minimum valuations (e.g., \$1.25 per pound for ACV; \$3.50 for FVP; \$2,500 for ACV hourly shipments not weighed), just as we allow carriers to set other minimums (e.g., hours, weights, packing materials). Of course, all minimums must be shown on the Agreement (to be in the shipper's hands no less than three days before the move begins). This approach (eliminating regulated minimum valuations, allowing carriers to establish their own minimum valuations, requiring a declaration of all minimums on the Agreement and a default valuation of \$20,000) balances the interests of the shipper (to have information and a guideline on valuation without being forced to buy more valuation than necessary) and the carrier (to make sure shipments have sufficient valuation declaration to cover the carrier's exposure).

¹⁸ We note that CMSA's valuation witness Boettcher testified that, at least for her company, the lowest limit of cargo insurance they currently provide is \$50,000 per shipment. (Tr. 31:3407.) We will not apply \$50,000 per shipment as the bench mark, even though that is apparently seen as reasonable by the industry.

5.3.3.5 Deductibles

CMSA argues that the deductibles currently applied to FVP should be eliminated. CMSA asserts that the deductibles apply only to one coverage option (i.e., FVP, not ACV), and they can be unfair and confusing. Shippers are already presented with the task of setting a value on their goods, choosing the level of protection, and reviewing the costs for each option, according to CMSA. Moreover, carriers become confused between deductibles applied to them by their insurance company coverage and those applied by them to the shippers. CMSA recommends that deductibles be eliminated.

We decline to eliminate deductibles. We seek a program that provides reasonable options. We do not want to reduce the number of options now otherwise available.

CMSA recommends that, if we retain the current FVP deductibles, the suspended MAX 4 rate be increased from \$0.38 to \$0.50 per \$100 for the \$250 deductible, and from \$0.19 to \$0.35 per \$100 for the \$500 deductible. CMSA offers no data to support this recommendation.

We decline to make this change without supporting data. We adjusted the levels from those in MRT 4-C as explained in D.90-12-091, and invited the parties to make recommendations on valuation charges in the reconstituted Phase II. We expect parties to support their recommendations with data, particularly in areas such as valuation which can be quantified. We will not make a change based on opinion testimony unsupported by any facts, particularly when we have already explained how we arrived at MAX 4 and invited supported recommendations.

5.3.3.6 Valuation Charges

CMSA testified in favor of retaining the valuation charges for interim MAX 4 at the level developed in D.90-12-091 (\$0.63 per \$100 for ACV and \$0.95 per \$100 for FVP). (Tr. 31:3393-4.) We will continue these levels.

5.3.3.7 GO 136-C

We amend GO 136-C to reflect these changes, as Attachment E.

5.3.3.8 Phase III Issues

We direct as a Phase III issue the inclusion of the valuation charge for ACV coverage in the transportation and storage-in-transit rates. We believe the better assessment of the valuation charge for ACV coverage is in the maximum fixed rate. Shippers deserve to have the regulatory system place the proper incentive with the carrier to move the goods without loss or damage. This coverage also allows the opportunity for a discount if the shipper declines ACV coverage.

We also direct parties to address in Phase III whether valuation should be bundled or unbundled and the reasons for and against including (i.e., bundling) basic valuation (ACV coverage for loss and damage up to \$20,000) in the maximum fixed rate. We also direct parties to include bundled basic valuation in specific rate proposals. We believe that the only valuation decision a shipper should make is the amount and whether to buy FVP. Parties may also make other recommendations for valuation, with necessary support for the policy and numbers.

We also question why shippers should be charged up to \$53.45 for a carrier to process a claim for loss and damage through the carrier's insurance company. In converting the program to maximum rates, and possibly bundling valuation charges to promote the right incentives, we wish to reexamine this provision in Item 94 of MAX 4. We ask for parties' comment in Phase III.

5.3.3.9 Conclusions

We therefore decide to make basic valuation \$0.60 per pound per article included in the maximum fixed rate. We make default valuation \$20,000 (if the shipper makes no declaration), with coverage being the ACV up to \$20,000. The carrier may charge the rate the carrier states on the Agreement for default valuation.

If no rate is stated, the rate is \$0.00 (zero) per \$100. We eliminate minimum valuation amounts (e.g., \$1.25 per pound for distance moves), but we allow the carrier to establish their own minimums if they wish. We retain FVP deductibles, and decline to adjust the rate levels. We retain the rate levels for valuation charges as determined in D.90-12-091. We amend GO 136-C to reflect these changes. (See Attachment E.) Finally, we direct specific valuation issues be addressed, as stated above in, Phase III.

5.4 Less Adversarial Relationship

Pre-implementation hearing issue 14 asks:

"What changes, if any, should be made to our new program to make the relationship between carriers and shippers less adversarial?"

The settlement states that all the recommendations presented in the settlement respond to this question. CMSA, however, presents two witnesses who further address this question. The witnesses address the adversarial relationship CMSA contends will occur over the "not to exceed" price. CMSA's brief lists the adversarial relationship as one of the issues not resolved by the settlement, but presents no separate discussion (other than than on the "not to exceed" price).

We have addressed the "not to exceed" price above, which we are satisfied does not necessitate an adversarial relationship.

A critical element of a good relationship is that both the carrier and the shipper are well-informed. We are confident that this program encourages a fruitful, trusting, nonadversarial relationship by both the carrier and shipper being fully informed.

CMSA's concerns are renewed in their comments on the proposed decision of the ALJ. CMSA contends, for example, that the Consumer Protections and Waiver Attachment to the Agreement is "unfairly skewed against the interests of the carriers" if modified

to give shippers more information. (Comments of CMSA to Proposed Decision, March 9, 1992, p. 9.)

We are not inclined to skimp on providing information to the shipper, and will examine this issue further in Phase III. We expect that CMSA will provide specific recommendations regarding the wording of the forms and Important Information booklet so CMSA does not feel their interests are disadvantaged, or an adversarial relationship is created.

5.5 Technical Corrections to MAX 4

In compliance with D.91-04-030, TD issued a report on noncontroversial tariff revisions to MAX 4. Parties were directed to address comments on these revisions in their direct and rebuttal testimonies. The settling parties propose a settlement item to accept most of the TD's recommendations, with certain exceptions. Further, one CMSA witness testified on one TD-reported change not agreed to in the settlement plus other technical changes CMSA believes are necessary.

We accept the settlement's statement of tariff revisions. We will add, however, a Phase III issue to address a concern thus created.

5.5.1 Settlement Terms and Phase III Issue

We will add as a Phase III issue on how the Important Information booklet should treat the Commission's toll-free 800 number for shipper information about carriers. TD recommended adding the Commission's toll-free 800 number and deleting "for information on carrier performance" to item 470, page 85 (in a

section titled "How To Choose a Mover").¹⁹ The settlement recommends that the shipper be told to call the 800 number to determine whether the carrier is licensed. We may not choose to limit the information available from the toll-free number. As we said in D.90-12-091:

"Shippers can contact the Commission to determine whether a competing carrier they may be considering is a permitted carrier, obtain public data on Commission actions regarding any carrier, discuss shipper rights and responsibilities, learn about claims and arbitration procedures, or any other aspect of our program." (Mimeo., pp. 171-2.)

Shippers should be advised that more information is available over the toll-free number than just if a carrier is licensed. We note that carrier performance and consumer outreach are already Phase III issues. We will accept the settlement's treatment of this issue at this time, and ask parties to address in Phase III how the Important Information booklet should treat the Commission's toll free 800 telephone number.

¹⁹ D.90-12-091 provided that item 470 of MAX 4 states, in relevant part: "Once you have the names of several movers or moving companies you may call the PUC at (415-557-0981) for information on carrier performance." Further, the decision directed TD to provide the number to carriers as soon as it was available. (Mimeo., p. 171, footnote 22.)

TD's report on noncontroversial changes recommends: "Once you have the names of several movers or moving companies you may call the PUC at 1-800-FON-4PUC (1-800-366-4782)."

The settlement states the language as: "Once you have the names of several movers or moving companies you may call the PUC at 1-800-FON-4PUC (1-800-366-4782) to determine whether the carrier is a licensed carrier."

5.5.2 Other Tariff Revision
Recommendations

CMSA recommends several other revisions to the tariff. First, item 420 requires that the Estimated Cost of Services form include "Reminder to Shipper: You may obtain other estimates." CMSA argues that providers of other products or services are not mandated to invite customers to look elsewhere after investing the money to establish a price and solicit the order.

We are confident that shippers understand they may shop many carriers. We will delete the language as CMSA requests.

Second, CMSA objects to TD's recommended language at item 128, exception 2.²⁰ CMSA framed no alternative language. Given our adoption of the Consumer Protections and Waiver attachment in Exhibit 103, that is the language we will adopt.

Third, CMSA is concerned with item 470 (Important Information booklet) discussion on inventory reports. Item 470 as written, according to CMSA, appears to require that the carrier provide an inventory of all items shipped on both hourly and distance moves. Carriers seldom, if ever, provide an inventory report for hourly moves, according to CMSA. An inventory report is not prepared, CMSA asserts, because it is cost-prohibitive to the shipper who must pay for the time to prepare the inventory. CMSA

²⁰ Item 128 is the Contract (Agreement). D.90-12-091 allowed that the three-day advance provision of the Contract could be waived by shipper signature, stated as exception 2 to Item 128: "Shippers may waive the 3-day requirement, in writing." The industry asked for specific wording to include on the Contract (Agreement). TD recommended as part of its proposed tariff revisions:

"The waiver must be signed and dated no later than 3 days before the move and contain the following wording: I do not wish to see a statement describing the move arrangements, and rates I will pay, in advance of the move date."

recommends the words "on distance moves" be added so customers do not expect a written inventory on hourly moves.

We will not adopt CMSA's exact language, since we do not want shippers to think that inventory reports are only for distance moves. We will refocus the language to point out that shippers with hourly moves may be charged the additional time it takes the carrier to prepare the inventory report, unless the shipper elects to waive the inventory report.

Finally, CMSA asks that it be allowed to review all technical issues with other interested parties and the TD staff after a Phase II decision is ordered, but with adequate time prior to implementation. CMSA and all parties had reasonable opportunity in Phase II to present specific language. We will not grant CMSA's request for an opportunity for further review and comment. We will implement the program with this decision, and consider further changes in Phase III.

Finally, we reject TD's proposal to use a toll-call number in the introduction section of item 470 at page 85, second paragraph. Rather, we insert the CPUC's toll-free number. Valuation and "not to exceed" price issues were contested. Rather than modify those parts of the Important Information booklet to include the toll-free number, we simply insert the Commission's toll-free number in the introduction.

5.6 Combination of Agreement with Freight Bill

The settlement provides that the Agreement may be combined with the Bill of Lading (i.e., the form we call the Shipping Order and Freight Bill) on a single page. This is consistent with both MRT 4-C and suspended MAX 4, which allow carriers to combine forms as long as all the information required on our model forms is included. In D.90-12-091 (mimeo., p. 156), we concluded that the forms may be combined, but, if so, they must be part of a multipage form such that the Contract (Agreement) may

be separated from the freight bill before the move begins (with a copy of the Contract (Agreement) to the shipper no less than three days before the move begins).

Parties propose in the settlement, and we adopt, that the Agreement and Freight Bill may be combined. But we point out that if carriers combine the forms, the combined form must be a multipage document that allows for the Agreement to be signed, separated and issued to the shipper before the move begins. As such, 1 copy must be given to the shipper no less than 3 days before the day the move begins. A second copy must be given to the shipper no later than before the move begins on the day of the move with all parts completed, including the "not to exceed" price and all signatures (shipper and carrier).

CMSA makes an untimely recommendation in its brief regarding these forms, however, which gives us concern. CMSA recommends that:

"The current MAX 4 'Contract for Move' should be eliminated entirely and its essential content, except "not to exceed" price, incorporated into the shipping order form to the extent it is not already on that latter form. If the Commission insists that this superfluous document [Contract for Move] be added to the multitude of forms already required, then its name must be changed to clearly indicate it is not the contract between the parties." (CMSA Brief, p. 24.)

To the extent this recommendation conflicts with the settlement, which does not eliminate the contract, it is untimely. CMSA contends the form is "superfluous." The Contract (Agreement) is essentially the form used under MRT 4-C, called the "Confirmation of Shipping Instructions and Rate Quotation." CMSA did not previously raise a concern that the "confirmation" form was superfluous. It contains the rates, description of the move, and the "not to exceed" price and as such is an essential element.

CMSA indicates that the Contract for Move is not considered a contract by CMSA. There is no legal duty of the mover to actually move the shipper, and no duty of the shipper to actually use the mover, according to CMSA. Neither party is obligated to the other and the document is insufficient for either party to seek remedy for breach, CMSA says.

The contract provided three days before the move begins does not bind the shipper to perform the move, but when the Contract for Move is fully signed by both parties it becomes a contract.

A partially completed form is not a contract. It is not unheard of that parties may review a document that is called a contract and ask for changes or amendments before it is signed. This program permits the shipper to review this document and seek changes if desired. Just because the document has the title "contract" does not mean it is a contract between the parties until it is executed (e.g. signed).

We adopt the contract's title as "Agreement" because it is a term of the settlement.

A third concern is that CMSA sees the shipping order as the contract. CMSA says:

"In addition, no mover would substitute the 'Agreement for Service' form for the industry standard Shipping Order and Freight Bill. This industry standard document states on its face that it is the contractual agreement of the parties and represents the entire agreement of the parties, superseding any other written or oral agreement." (CMSA Brief, p. 23, emphasis in original.)

Our model forms provide the minimum information that carriers must include on their forms. We do not direct that the Shipper Order and Freight Bill show on its face that it is the contract. If the industry has so shown on the Shipping Order, that was previously acceptable, but not ordered by us. With

D.91-12-091, however, we did direct otherwise. In discussing the Contract for Move we said:

"The essence of the contract protection is then as follows...The contract shall be the complete understanding of the parties of the terms and conditions of the move...When signed by both (either before or on the day of the move), unless modified in writing by both the shipper and carrier by the use of a change order form, the signed contract for move shall control the rights and obligations of the shipper and carrier..." (D.90-12-091, mimeo., p. 149.)

But when CMSA describes the Shipping Order and Freight Bill, CMSA says:

"That document [Shipping Order] also includes the full terms, conditions, and limitations of service, including limitations of liability, provision of lien rights, etc." (CMSA Brief, p. 24.)

CMSA members apparently elected under MRT 4-C to include on the shipping order rather than the confirmation "...the full terms, conditions, and limitation of service, including limitations of liability, provision of lien rights, etc." Again, what we show on our model forms is the minimum requirement, and carriers are free to reformat and combine the forms, and include other conditions or information. But we ordered in D.90-12-091 that the Contract (now Agreement) have the full "terms and conditions of the move." If the carrier has limitations of service, including limitations of liability and lien rights, those must be stated on the Agreement, or under our program they will be invalid. We will not delay the program to consider this further.

We will, however, give parties an opportunity in Phase III to address form simplification, given the requirement for full information and full disclosure on the move in the hands of the shipper no less than three days before the day the move begins. Unless so provided, additional terms and conditions are invalid under our regulation unless agreed to by both the carrier and

shipper. Given these constraints, we will consider further simplification in Phase III.

5.7 The Three-Day Requirement

In D.90-12-091, we specified that the Contract (Agreement) be in the possession of the shipper "no less than three days" before the move begins. The settlement does not alter the "no less than three days" for the Agreement. Regarding the Estimate, the settlement specifies that "...the estimate [for rates to exceed maximum fixed rates] must be issued three days or more before the move." (Exhibit 105-A.)

To prevent confusion, we clarify the three-day period as follows: the third day is all hours during the 24-hour period that is the third day before the move. For example, if a move is booked to occur sometime on Thursday, the third day before is Monday, with the Agreement and/or Estimate to be in the hands of the shipper no later than sometime between 12:01 a.m. and 11:59 p.m. on Monday.

5.8 Waiver of Advance Provision of Agreement is not a Waiver of Agreement on the Day of the Move

We adopt the settlement's treatment of allowing the shipper to waive advance receipt of the Agreement.

We make clear, however, that in all cases the Agreement (with a "not to exceed" price) must be fully completed and given to the shipper before the move begins, whether advance receipt of the partly completed Agreement is waived or not. We will ask TD to monitor and report whether confusion develops over this distinction.

6. Implementation and Phase III

MAX 4 will become effective September 1, 1992. We direct TD to conduct meetings within 60 days throughout the state to explain the new program and answer questions. We direct that all carriers be retested by April 30, 1992. We reject a proposal to require a letter from each carrier to certify that the carrier

understands the effective date and that it is a maximum rate tariff. We direct TD to include additional information in its monitoring reports. Finally, we specify the issues for Phase III and set a date for a prehearing conference.

6.1 TD Workshops

We direct TD to conduct public meetings throughout the state. The meetings will explain the adopted maximum rate program, including the model forms. They will answer questions and discuss program implementation. The meetings should be completed within 60 days from the effective date of this decision.

6.2 Reject Letter from Carriers

The settlement provides that we retest carriers within 6 to 12 months after the interim program goes into effect and the new test is completed. We direct that TD prepare a new test by August 1, 1992, and complete retesting of all carriers within nine months, by April 30, 1993.

In addition, CMA recommends that each carrier be required to show by return mail that he or she understands the effective date of the new tariff and that it is a maximum rate tariff. We decline to require a return letter.

First, the industry has had abundant notice that changes are being contemplated and that we are committed to a maximum rate program. All carriers received the original OII in 1989. Public participation hearings were held in Phase I after wide notice, and many carriers participated. All carriers received D.90-12-091, D.91-03-072, and D.91-04-030, thereby informing them of the change to maximum rates and the temporary, limited stay of the program pending rehearing.

Second, all carriers will receive a copy of this decision and are required to comply.

Third, TD will conduct workshops statewide to further alert the industry.

Fourth, carriers will be noticed that they need to be retested by April 30, 1993. Carriers studying for that test will become familiar with the program.

Fifth, TD enforcement staff will identify carriers out of compliance. Enforcement efforts will be directed at educating carriers during the first few months of the program, consistent with our adoption of the settlement.

Finally, a letter will be an additional administrative burden on carriers and the Commission which, for the reasons listed above, is not necessary.

We are confident that the majority of carriers are good corporate citizens and we presume compliance based on abundant notice, workshops, and retesting, which obviates the need for the letter.

6.3 Monitoring Reports

As explained above, we direct TD to supplement its monitoring reports. We summarize TD's tasks and reports in Attachment F. In response to comments, we have reassessed the monitoring program and have, accordingly, reduced and streamlined it on our own.

CMSA objects to the monitoring reports: "It is clear that the ALJ has no clear conception of the effect of the PD's [proposed decision's] proposals." (Comments of CMSA, March 9, 1992, p. 16.) CMSA cites in support "...38 unknown effects upon which Transportation Division is supposed to report." (Id.) CMSA continues:

"It is irresponsible not to have a clear knowledge of the answers to these significant issues before ordering the total ruination of a regulated industry. The ALJ doesn't appear to care but the Commission should care and has an obligation to care." (Comments of CMSA, March 9, 1992, p. 17.)

6.4 Rate Errors in MRT 4-C

It is possible there are errors in the calculation of MRT 4-C hourly rates for a van and driver. Since these rates are the basis for MAX 4 rates, we asked for comment on making this correction.

No party recommended making the correction. Therefore, Phase III will involve an opportunity for parties to make recommendations on final maximum fixed rates and any errors can be addressed and corrected in Phase III.

6.5 Phase III

The issues to be addressed in Phase III are stated in Attachment G. The ALJ will issue a ruling setting the day for a prehearing conference. We will retain the service list from Phase II for Phase III. Parties intending to actively participate in Phase III must attend the prehearing conference, and be prepared to discuss the continuation of Phase II ground rules into Phase III, discovery needs, positions on the issues, scope of testimony, number of witnesses, an estimate of time necessary to prepare testimony, a proposed schedule, and anything else identified in the ALJ's ruling.

Findings of Fact

1. On April 10, 1991, D.91-04-030 granted, among other things, rehearing of 5 specific issues from D.90-12-091 and identified 15 pre-implementation issues to be combined for hearing with the rehearing issues.
2. Four antitrust issues were added to the list of issues for Phase II by ALJ Ruling.
3. On May 16, 1991 four parties (CMSA, Tri-Valley, DRA, and CMA) filed a settlement, settling all rehearing issues and most further hearing and other issues.
4. Van lines are a network of moving companies acting together to provide long distance moving services.

5. Agents within a van line company typically perform the move, while the van line coordinates and dispatches the agents (for original services, equipment use, loading, hauling, destination services, and backhauling), and provides both revenue distribution and claims processing services.

6. Van lines and carriers contend that under MAX 4 an antitrust problem may exist for van lines, agents, and nonvan line carriers who coordinate shipments, and uncertainty will be created, but they do not contend that a problem does or will exist.

7. Van lines and carriers assert that the uncertainty created will cause efficiency losses due to van lines and carriers ceasing operations or coordinations.

8. There may be no efficiency losses under MAX 4 compared to MRT 4-C, since van lines and carriers can still operate and coordinate with price discussions that do not violate antitrust law.

9. Price discussions between prime carrier and subhauler are expected in carriers' compliance with GO 102-H.

10. Van lines and coordinating carriers carry some moves at prices above the minimum levels stated in MRT 4-C.

11. Price coordination above the minimum levels in MRT 4-C is accomplished in at least some cases by the booking carrier calling the van line or coordinating carrier to find out what price the other entity needs for its part of the move.

12. Van lines and coordinating carriers reduce costs and prices by combining loads, providing backhauls, coordinating moves with intermediate stops, and providing service to remote locations by load combinations.

13. If an exemption from antitrust law is required for van line and coordinating carrier price discussions at rates other than the maximum rate under MAX 4, an exemption would similarly be required for price discussions at fixed rates other than the

minimum rate under MRT 4-C, but none exists and van lines and carriers do not argue that such exemption is needed.

14. Changing regulation from minimum to maximum rates will not make illegal those legal price discussions that occur now.

15. The State of California has a clearly articulated and affirmatively expressed policy of maximum rate regulation, with van line and coordinating carrier operation thereunder, as expressed by the legislature (in PU Code § 5191, allowing this Commission to regulate this industry by a system of maximum rates), and this Commission (in D.90-12-091, D.91-04-030 and this decision).

16. Maximum rate regulation, and van line, agent, and carrier activity thereunder, is under the active supervision of the state by this Commission having the authority and responsibility in matters of rates, licensing, service, safety, and enforcement, expressed through general orders, complaint proceeding, rate proceedings, and investigations.

17. Our maximum rate program does not place van lines and carriers in any reasonable jeopardy of violating antitrust laws such that we must modify or delay our program.

18. As explained on this record, van lines, agents and coordinating carriers share shipments and discuss prices (by calling to find out the price the other entity will charge for its part of the move) in compliance with our regulation of prime carriers-subhaulers in GO 102-H.

19. Van lines and carriers assert that it is too burdensome to make multiple telephone calls to coordinate shipments.

20. Price discussions may increase under MAX 4 compared to MRT 4-C, and to discuss prices legally may or may not be more burdensome than to do so illegally, but there is no evidence that such communication cannot be done cost-effectively, timely, and reasonably.

21. The inflation adjustment for converting minimum to maximum rates under the settlement starts from February 1986.

22. The market rate (i.e., the actual rates and prices charged for a move) will likely be below the maximum fixed rate.

23. Reducing the requirement from 10 to 3 days before the day the move begins that an Estimate must be given to the shipper for rates to exceed the maximum fixed rate does not remove consumer protection requirements that an Estimate: must be given; must be in writing after an on-site inspection; must indicate that the rates exceed maximum fixed rates; and must show by how much the total estimate exceeds the price calculated using maximum fixed rates.

24. The settlement does not provide for updates to packing material rates, the parties did not ask that we take official notice of any updates, and no provision was made for a late-filed exhibit to update container rates.

25. Several days before the move begins, shippers, even without an Estimate, often have in mind a total cost figure, and carriers know enough about the move to determine scheduling, productivity, and basic profitability.

26. It may improve the carrier and shipper relationship if total costs are discussed and are in writing, since a critical element of a good relationship is that both parties are well-informed.

27. An adversarial relationship will not be created by carrier and shipper discussing and negotiating the "not to exceed" price.

28. Competition will provide for adequate capacity and service, and enforcement will handle criminals, thereby addressing CMSA's concerns that the "not to exceed" price requirement will result in limiting capacity, cause permitted carriers to become illegal operators (performing the move without a permit to avoid the "not to exceed" price requirement), and force shippers to utilize illegal or self-move services.

29. The "not to exceed" price can be distinguished from an Estimate by the amount of regulatory-required paperwork in its preparation, and perhaps the level of accuracy.

30. The driver's survey of goods in preparation to loading has similarities with the survey an estimator must conduct to prepare an estimate, and is a sunk cost with respect to the incremental cost of preparing the "not to exceed" price, thereby reducing the cost of preparing the "not to exceed" price relative to the estimate.

31. The showings on the cost of the "not to exceed" price fail to take account of the benefits of preventing or reducing overcharges, the impact of competition, and the role of having an established price for goods to be unloaded even if other disputes remain (where the carrier could otherwise "hold the goods hostage" on the truck).

32. Shippers may effectively waive the "not to exceed" price by allowing the carrier to insert a very high number.

33. CMA does not define but recommends a guaranteed price option.

34. Guaranteed prices may be effectively provided by the combined use of minimums (e.g., hours, weights) with "not to exceed" prices.

35. Valuation of \$2,500 under MRT 4-C does not require a carrier to pay \$2,500 for \$200 worth of loss and damage, just as \$20,000 of coverage under MAX 4 does not require a carrier to pay \$20,000 for \$200 worth of loss and damage.

36. Applying the same approach for carrier failure to state a valuation rate as we apply for other form deficiencies would result in a charge to the shipper of \$73.

37. Deductibles, as part of the FVP valuation choice, are useful options.

38. CMSA offers no data to support its recommended changes to the valuation charges for FVP with deductibles of \$250 and \$500.

39. Shippers do not need to be reminded on the Estimate form to obtain other estimates in order for shippers to understand that they may shop around.

40. Inventory reports are not only for distance moves.

41. The Contract for Move (Agreement for Service) is a core element of the consumer protections in our maximum rate program and is not superfluous.

42. The Contract for Move (Agreement for Service) must have the full "terms and conditions of the move" (including any limitations of service, limitations of liability, and lien rights), or the Shipping Order (showing the limitations and lien rights) must be issued with the Agreement, in order for the shipper to have the full contract terms for consideration no less than three days before the day the move begins.

43. A letter from carriers (indicating they understand the change to maximum rates and the effective date) is unnecessary since there has been and is abundant notice of the change; carriers will receive this decision and are required to understand and comply with our regulations; TD will conduct workshops; all carriers will be retested by April 30, 1993; and it is an unjustified additional administrative burden on carriers and the Commission.

44. No party recommended correcting interim fixed MAX 4 rates for error in the calculation of MRT 4-C hourly rates for a van and driver.

Conclusions of Law

1. Not all price discussions are illegal under antitrust law.

2. Price discussions are not illegal, as explained on this record, when the booking carrier calls the van line or coordinating carrier to find out what price the other entity needs for its part of the move.

3. Price discussions are not illegal if they produce agreements, associations or combinations, the purpose and effect of which is to promote, encourage or increase competition in trade or the industry, or in furtherance of trade.

4. The laws that prevent price fixing by private firms do not require government to fix prices in the California household goods moving market to allow those firms to engage in price discussions that are legal.

5. Price discussions are illegal if they restrain trade or involve an unfair, dishonest, deceptive, destructive, fraudulent or discriminatory practice by which fair and honest competition is destroyed or prevented.

6. Van lines and coordinating carriers enter into agreements, the purpose and effect of which is to promote, encourage, and increase competition in trade and the industry, and in the furtherance of trade; therefore, the evidence is not persuasive that van lines and coordinating carriers are in jeopardy of violating antitrust laws.

7. People v. Building Maintenance Contractors' Association, Inc. (41 C.2d 719; 264 P.2d 31) does not provide reasonable insight into application of Business and Professions Code § 16725 to maximum rate regulation of California household goods carriers.

8. This Commission has the power to review anticompetitive acts by van lines and carriers that fail to meet our policy of vigorous, equitable, fair, and legal competition, and take appropriate action against those in violation, including revoking licenses, assessing fines, and recommending or bringing proceedings in superior courts.

9. Antitrust laws and state action immunity do not require that we review every rate below the maximum fixed rate where antitrust laws are intended to promote competition, our program is intended to promote competition, and we may investigate any rate or carrier practice upon complaint, or on our own motion, that may be

in restraint of trade or be unfair, dishonest, deceptive, destructive, fraudulent or discriminatory by which fair and honest competition is destroyed or prevented.

10. Our maximum rate program does not place van lines and carriers in any reasonable jeopardy of violating the law.

11. Stipulations or settlements, whether contested or uncontested, should not be approved unless they are reasonable in light of the whole record, consistent with the law and in the public interest.

12. Escalating minimum rates to reflect cost increases from February 1986 is not outside the range of reasonableness for cost inflation.

13. The settlement proposed by CMSA, Tri-Valley, DRA, and CMA is reasonable in light of the whole record, consistent with the law and in the public interest.

14. There are adequate consumer protections while allowing more flexibility when the requirement is reduced from 10 to 3 days for an Estimate to be given to exceed maximum fixed rates.

15. The "not to exceed" price is a reasonable balance between the competing needs to keep costs low and to provide consumer protections, especially in the period of transition from minimum to maximum rates.

16. It is not reasonable to add a guaranteed price option, other than as provided by combining minimums with the "not to exceed" price.

17. We should not force the shipper to buy more valuation protection than desired by retaining minimum valuation limits.

18. It is reasonable to make basic valuation \$0.60 per pound per article; make default valuation \$20,000 (with coverage being the ACV up to \$20,000); let the carrier assess the rate for default valuation at the rate he or she states on the Agreement (with no charge if the stated rate is missing); eliminate minimum valuation amounts, but allow the carrier to establish his or her own; retain

FVP deductibles; retain the valuation rate levels established in D.90-12-091; and amend GO 136-C to reflect these changes.

19. It is reasonable to not require that the Estimate form contain a reminder to shippers to obtain other estimates.

20. It is reasonable to refocus the language on inventory reports in the Important Information booklet to alert shippers with moves charged by the hour that they may be charged the hourly rate while the inventory is being prepared.

21. It is reasonable for the Contract for Move (Agreement for Service) to have the full "terms and conditions of the move" (including any limitations of service, limitations of liability, and lien rights), or to require the Shipping Order to be provided with the Agreement (if the Shipping Order contains the limitations and lien rights).

22. It is reasonable, in order to prevent confusion and simplify enforcement, to clarify the three-day requirement to be all hours during the 24-hour period that is the third day before the day of the move.

23. It is reasonable to retest carriers within nine months of our preparing a new examination.

INTERIM ORDER

IT IS ORDERED that:

1. Ordering paragraphs 1, 2, and 11 of Decision (D.) 90-12-091 (which were stayed by D.91-04-030 until further order) are superseded by the provisions of this order.

2. The stay of ordering paragraph 4 of D.90-12-091 (ordered in D.91-03-072 and continued in D.91-04-030) is lifted.

3. Ordering paragraph 5 (the stay of which was partially retained by D.91-04-030) is superseded by the provisions of this order.

4. Minimum Rate Tariff (MRT) 4-C is cancelled effective September 1, 1992. Maximum Rate Tariff 4, contained in Attachment B, is adopted effective September 1, 1992.

5. General Order (GO) 136-C and 139-A are adopted effective September 1, 1992 as amended (Attachment E to this decision and Attachment D to D.90-12-091, respectively). GO 136-B and 139 are superseded effective September 1, 1992.

6. Transportation Division (TD) shall prepare the reports and conduct the meetings as directed in both D.90-12-091 and this decision (summarized in Attachment F). TD shall prepare a new entry examination by August 1, 1992 and continue its administration, placing a uniform time limit on the time the applicant has to complete the examination. TD shall retest all existing household goods carriers with operating permits by April 30, 1993. Existing permits shall expire on May 1, 1993 for all household goods carriers who fail to pass the examination by April 30, 1993.

7. A third phase of this investigation is ordered to consider the issues identified in Attachment G. The assigned administrative law judge (ALJ) shall issue a ruling to set a prehearing conference. Parties intending to actively participate in Phase III shall attend the prehearing conference. The service list from Phase II shall be continued into Phase III. At the prehearing conference, the ALJ shall establish procedural ground rules and the schedule, including the time for filing and serving testimony. Parties shall come to the prehearing conference prepared to discuss the reasonableness of continuing Phase I and II ground rules into Phase III; their need for discovery; positions on the issues; estimate of time necessary to prepare testimony; scope of their testimony; estimated number of witnesses; proposed schedule; and anything else identified in the ALJ ruling.

8. The executive director shall serve a copy of this order on each subscriber to MRT 4-C, and all appearances in this

investigation. The executive director shall serve a copy of GO 136-C and 139-A on all carriers subject to these general orders.

9. Attachment I to this order restates the operative ordering paragraphs of D.90-12-091 (as modified by D.91-04-030) and this order.

This order is effective immediately.

Dated May 8, 1992, at San Francisco, California.

DANIEL Wm. FESSLER
President
JOHN B. OHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners

We will file a written concurring opinion.

JOHN B. OHANIAN
Commissioner
NORMAN D. SHUMWAY
Commissioner

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


NEAL J. SHULMAN, Executive Director

ATTACHMENT A

List of Appearances

Interested Parties: Russell, Hancock & Jeffries, by John C. Russell, Attorney at Law, for United Van Lines, Inc.; Greg E. Summy, Attorney at Law, for Nacal, Inc.; Richard V. Merrill, for Allied Van Lines, Inc.; Luke R. Sherwood, for California Trucking Association; Robert E. Burt, for California Manufacturers Association; Chris Carlsson, for Bekins Moving & Storage; James T. Carlson, for Carlson Van Lines; Alan T. Coleman, for Nevil Storage Company; Bill Colwell, for Tri-Valley Transportation & Storage Company; Logan Escue, for Hussey's Moving & Storage; Ken Gsissel, for Galbraith Van & Storage; Marvin Hanson, for LA Piano Movers; Edward J. Hegarty, Attorney at Law, and Douglas Hill, for California Moving & Storage Association; David Higdon, for California Moving Systems; Catherine M. Kauley, for Three Way Corporation; Ronald Larson, for Mother Lode Van & Storage; Barbara Marcantonio, for Scott's Van & Storage; Ethan Margalith, for Starving Students, Inc.; Jak Van Nada, for Golden State Moving Company; Margaret A. Perkel, for Jim Walker's Transportation Company, Inc.; Fred D. Peeters, for Peeters Transportation Company; Edward G. Poole, Attorney at Law, for Anderson, Donovan & Poole; George C. Schmidt, for Allen's Moving & Storage Company; George Schultz, for Schultz Brothers Van & Storage; Elmer Shick, III, for Certified Movers; Verle Serface, for James Transfer & Storage Company; Ken Thoming, for Sandercock Transfer, Inc.; Roger Wise, for Campbell Moving Company; and Thomas J. Hays, Tad Muraoka, and Casey F. Pacheco, for themselves.

Division of Ratepayer Advocates: Alberto C. Guerrero, Attorney at Law, and Lynn A. Maack.

(END OF ATTACHMENT A)

MAXIMUM RATE TARIFF 4
(Cancels Minimum Rate Tariff 4-C)

NAMING

MAXIMUM RATES AND RULES

FOR THE

TRANSPORTATION OF USED PROPERTY, NAMELY:

HOUSEHOLD GOODS, PERSONAL EFFECTS AND

OFFICE, STORE AND INSTITUTIONAL FURNITURE,

FIXTURES AND EQUIPMENT OVER THE PUBLIC HIGHWAYS

WITHIN THE STATE OF CALIFORNIA

BY

HOUSEHOLD GOODS CARRIERS

The original tariff contains rates and rules established in Decision 92-05-028 in OII.89-11-003. Changes contained in subsequent orders will be made by reissuing the pages on which the changes occur or by issuing supplements showing corrected items.

Issued by the
PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA
Governor Edmund G. "Pat" Brown Building
505 Van Ness Avenue
San Francisco, California 94102

EFFECTIVE SEPTEMBER 1, 1992

CORRECTION NUMBER CHECKING SHEET

This tariff is issued in loose-leaf form. All added and revised pages will be numbered consecutively in the lower left hand corner. These correction numbers should be checked below on this checking sheet before pages are filed in the tariff.

CORRECTION NUMBERS

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10	30	50	70	90
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14	34	54	74	94
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SECTION 1

RULES

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

DEFINITION OF TECHNICAL TERMS

CARRIER means household goods carrier as defined in the Household Goods Carriers Act.

NOT TO EXCEED PRICE means the maximum charge that may be assessed on a shipment, as enumerated on the Agreement for Service, subject to any Change Order for Services.

COMMISSION means the Public Utilities Commission of the State of California.

COMPONENT PART means any part of a shipment separately received by the carrier whether or not such part is separately delivered by the carrier; and, any part of a shipment separately delivered by the carrier whether or not such part is separately received by the carrier.

CONSIGNEE means the person named in the bill of lading to whom or to whose order the bill promises delivery.

CONSIGNOR means the person named in the bill of lading as the person from whom the goods have been received for shipment.

CREDIT CARD means a card defined in Section 484(d) of the Penal Code of the State of California, other than a card issued by the carrier, including bank credit cards and cards issued by major credit card companies.

DEBTOR means the person(s) and/or corporation(s) obligated to pay a freight charge of a carrier.

DISTANCE TABLE means Distance Table 8 issued by the Commission, or successive issues thereof.

ESTIMATED COST OF SERVICES means a written document prepared by the carrier and furnished to the shipper, which shows the total cost estimated by the carrier for the services as described thereon.

MAXIMUM FIXED RATE means any specific rate named in this tariff. Carriers may not charge a rate higher than a maximum fixed rate, except under the rules in Item 108 (Estimated Cost Of Services).

MOTOR VEHICLE means any motor truck, tractor or other self-propelled highway vehicle used for transportation of property over the public highways, and any trailer, semi-trailer, dolly or other vehicle drawn thereby.

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DEFINITION OF TECHNICAL TERMS (Continued)

PACKING means any accessorial service performed in preparing a shipment (or portion thereof), prior to loading, except services for which rates and charges are otherwise provided in this tariff.

POINT OF DESTINATION means the precise location at which property is tendered for physical delivery into the custody of the consignee or his agent. All locations shall be considered as one point of destination which are within a radius of:

- (a) 50 feet from a single point, or
- (b) 300 feet from a single point on a single piece of property of a single consignee.

POINT OF ORIGIN means the precise location at which property is physically delivered by the consignor or his agent into the custody of the carrier for transportation. All locations shall be considered as one point of origin which are within a radius of:

- (a) 50 feet from a single point, or
- (b) 300 feet from a single point on a single piece of property of a single consignor.

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RATE means any unit charge for service including the rating, governing rules, and the accessorial charges applying in connection with that service.

REGION means one of the regions described in Section 2.

SHIPMENT means a quantity of property tendered for transportation to one carrier, at one time, on one shipping document by:

- (a) One shipper at one point of origin for one consignee at one point of destination; or
- (b) One shipper at more than one point of origin (or more than one shipper at one or more points of origin), for one consignee at one point of destination (Split Pickup); or,
- (c) One shipper at one point of origin for one consignee at more than one point of destination (or for more than one consignee at one or more points of destination) (Split Delivery); or,

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

DEFINITION OF TECHNICAL TERMS (Concluded)

- (d) One shipper at more than one point of origin (or more than one shipper at one or more points of origin), for one consignee at more than one point of destination (or for more than one consignee at one or more points of destination) (Split Pickup and Delivery in Combination); or,
- (e) One or more shippers in a manner described in subparagraphs (a), (b), or (c) above to and from one point of storage-in-transit, except as provided in Note 1 of Item 160.

SHIPPER means the party who contracts with a carrier to cause property to be moved from one place to another.

STATE ROUTE means the numbered highway route designated by California State Highway sign number.

STORAGE-IN-TRANSIT means storage of a shipment at request of consignor or consignee at one point between point(s) of origin and point(s) of destination for a period not to exceed 90 days.

TERRITORY means one of the territories described in Section 2.

UNIT OF EQUIPMENT means one or more motor vehicles physically connected to form a complete unit.

UNPACKING means any accessorial service performed in connection with delivery of a shipment (or portion thereof), subsequent to unloading, except services for which rates and charges are otherwise provided in this tariff.

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APPLICATION OF TARIFF--CARRIERS

1. Rates provided in this tariff are maximum fixed rates, established pursuant to the Household Goods Carriers Act. They apply for the transportation of commodities described in Item 12 (Application Of Tariff--Commodities) by household goods carriers.

2. The rates and rules named in this tariff shall not apply to transportation by independent-contractor subhauliers when such transportation is performed for other carriers. This exception shall not be construed to exempt from the tariff provisions carriers for whom the independent contractors are performing transportation services (see NOTE).

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APPLICATION OF TARIFF--CARRIERS (Concluded)

NOTE: INDEPENDENT--CONTRACTOR SUBHAULER means any carrier who renders service for a principal carrier, for a specific recompense, for a specific result, under the control of the principal carrier as to the result of the work only and not as to the means by which such result is accomplished.

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APPLICATION OF TARIFF--COMMODITIES

1. Except as otherwise provided by paragraph 2, rates in this tariff apply to transportation of the following used property:

- (a) Household goods, namely: household or personal effects such as furniture, furnishings, clothing, radios, musical instruments, stoves and refrigerators.
- (b) Office and store fixtures and equipment, namely: furniture, furnishings and equipment such as are used in an office, store, hospital, library, museum, place of learning or other institution.

2. Rates in this tariff shall not apply to the following:

- (a) Property transported from, to or between the place or places of business of a dealer in or auctioneer of the property described in paragraph 1 hereof, in connection with such a business.
- (b) Property of the United States, state, county or municipal governments or property transported under an agreement whereby the governments contracted for the carrier's service.
- (c) Baggage, except when transported in mixed shipments under the provisions of Item 56 (Mixed Shipments).
- (d) Property shipped to or from producers of motion pictures or television shows when transported subject to the rates, rules and regulations provided by Decision 33226, in Cases 4246 and 4434, as amended.
- (e) Property transported for a displaced person when the cost thereof is borne by a public entity as provided in Section 7262 of the Government Code.

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APPLICATION OF TARIFF--COMMODITIES (Concluded)

- (f) Disaster supplies, i.e., those commodities which are allocated to provide relief during a state of extreme emergency or state of disaster; and those commodities which are transported for a civil defense or disaster organization established and functioning in accordance with the California Disaster Act, to ultimate point of storage or use, prior to or during a state of disaster or state of extreme emergency.
- (g) Contents of trailer coaches and campers, or furniture and other personal effects for use outside of trailer coaches, when transported in conjunction with such vehicles.

APPLICATION OF RATES

1. The rates provided in Items 300 and 310 (Distance Rates), Item 320 (Hourly Rates) and Item 330 (Distance Piece Rates) are for the transportation of shipments from point of origin to point of destination; except that Items 300, 310 and 330 do not apply for transportation to or from storage or storage-in-transit. The rates in Items 380 and 390 (Transportation To Or From Storage) and Item 320 (Hourly Rates) are for transportation of shipments from point of origin to point of storage or storage-in-transit; or from point of storage or storage-in-transit to point of destination. These rates include pickup and delivery, subject to Item 140 (Flight and Long Carry Rates).

- (a) For transportation of shipments for distances of 100 constructive miles or less, the distance rates (Items 300, 310, 380 or 390), distance piece rates (Item 330) or hourly rates (Item 320) apply subject to Items 28 and 128.
- (b) For the transportation of shipments for distances in excess of 100 constructive miles, the distance rates (Items 300, 310, 380 or 390) shall apply, subject to Item 20 (Alternative Application of Rates).

2. The rates provided in Item 340 shall apply for the accessorial services of packing, unpacking and sale of containers.

3. The rates provided in Item 136 shall apply for the valuation of all shipments.

4. The unit(s) of measurement specified and agreed to in the Agreement for Service shall govern the application of rates for the shipment.

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CORRECTION

**THIS DOCUMENT HAS
BEEN REPHOTOGRAPHED
TO ASSURE
LEGIBILITY**

APPLICATION OF TARIFF--CARRIERS (Concluded)

NOTE: INDEPENDENT--CONTRACTOR SUBHAULER means any carrier who renders service for a principal carrier, for a specific recompense, for a specific result, under the control of the principal carrier as to the result of the work only and not as to the means by which such result is accomplished.

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APPLICATION OF TARIFF--COMMODITIES

1. Except as otherwise provided by paragraph 2, rates in this tariff apply to transportation of the following used property:

- (a) Household goods, namely: household or personal effects such as furniture, furnishings, clothing, radios, musical instruments, stoves and refrigerators.
- (b) Office and store fixtures and equipment, namely: furniture, furnishings and equipment such as are used in an office, store, hospital, library, museum, place of learning or other institution.

2. Rates in this tariff shall not apply to the following:

- (a) Property transported from, to or between the place or places of business of a dealer in or auctioneer of the property described in paragraph 1 hereof, in connection with such a business. 12
- (b) Property of the United States, state, county or municipal governments or property transported under an agreement whereby the governments contracted for the carrier's service.
- (c) Baggage, except when transported in mixed shipments under the provisions of Item 56 (Mixed Shipments).
- (d) Property shipped to or from producers of motion pictures or television shows when transported subject to the rates, rules and regulations provided by Decision 33226, in Cases 4246 and 4434, as amended.
- (e) Property transported for a displaced person when the cost thereof is borne by a public entity as provided in Section 7262 of the Government Code.

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DEFINITION OF TECHNICAL TERMS (Concluded)

- (d) One shipper at more than one point of origin (or more than one shipper at one or more points of origin), for one consignee at more than one point of destination (or for more than one consignee at one or more points of destination) (Split Pickup and Delivery in Combination); or,
- (e) One or more shippers in a manner described in subparagraphs (a), (b), or (c) above to and from one point of storage-in-transit, except as provided in Note 1 of Item 160.

SHIPPER means the party who contracts with a carrier to cause property to be moved from one place to another.

STATE ROUTE means the numbered highway route designated by California State Highway sign number.

STORAGE-IN-TRANSIT means storage of a shipment at request of consignor or consignee at one point between point(s) of origin and point(s) of destination for a period not to exceed 90 days.

TERRITORY means one of the territories described in Section 2.

UNIT OF EQUIPMENT means one or more motor vehicles physically connected to form a complete unit.

UNPACKING means any accessorial service performed in connection with delivery of a shipment (or portion thereof), subsequent to unloading, except services for which rates and charges are otherwise provided in this tariff.

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APPLICATION OF TARIFF--CARRIERS

1. Rates provided in this tariff are maximum fixed rates, established pursuant to the Household Goods Carriers Act. They apply for the transportation of commodities described in Item 12 (Application Of Tariff--Commodities) by household goods carriers.

2. The rates and rules named in this tariff shall not apply to transportation by independent-contractor subhaulers when such transportation is performed for other carriers. This exception shall not be construed to exempt from the tariff provisions carriers for whom the independent contractors are performing transportation services (see NOTE).

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APPLICATION OF TARIFF--CARRIERS (Concluded)

NOTE: INDEPENDENT--CONTRACTOR SUBHAULER means any carrier who renders service for a principal carrier, for a specific recompense, for a specific result, under the control of the principal carrier as to the result of the work only and not as to the means by which such result is accomplished.

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APPLICATION OF TARIFF--COMMODITIES

1. Except as otherwise provided by paragraph 2, rates in this tariff apply to transportation of the following used property:

- (a) Household goods, namely: household or personal effects such as furniture, furnishings, clothing, radios, musical instruments, stoves and refrigerators.
- (b) Office and store fixtures and equipment, namely: furniture, furnishings and equipment such as are used in an office, store, hospital, library, museum, place of learning or other institution.

2. Rates in this tariff shall not apply to the following:

- (a) Property transported from, to or between the place or places of business of a dealer in or auctioneer of the property described in paragraph 1 hereof, in connection with such a business.
- (b) Property of the United States, state, county or municipal governments or property transported under an agreement whereby the governments contracted for the carrier's service.
- (c) Baggage, except when transported in mixed shipments under the provisions of Item 56 (Mixed Shipments).
- (d) Property shipped to or from producers of motion pictures or television shows when transported subject to the rates, rules and regulations provided by Decision 33226, in Cases 4246 and 4434, as amended.
- (e) Property transported for a displaced person when the cost thereof is borne by a public entity as provided in Section 7262 of the Government Code.

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APPLICATION OF TARIFF--COMMODITIES (Concluded)

- (f) Disaster supplies, i.e., those commodities which are allocated to provide relief during a state of extreme emergency or state of disaster; and those commodities which are transported for a civil defense or disaster organization established and functioning in accordance with the California Disaster Act, to ultimate point of storage or use, prior to or during a state of disaster or state of extreme emergency. 12 (Concluded)
- (g) Contents of trailer coaches and campers, or furniture and other personal effects for use outside of trailer coaches, when transported in conjunction with such vehicles.

APPLICATION OF RATES

1. The rates provided in Items 300 and 310 (Distance Rates), Item 320 (Hourly Rates) and Item 330 (Distance Piece Rates) are for the transportation of shipments from point of origin to point of destination; except that Items 300, 310 and 330 do not apply for transportation to or from storage or storage-in-transit. The rates in Items 380 and 390 (Transportation To Or From Storage) and Item 320 (Hourly Rates) are for transportation of shipments from point of origin to point of storage or storage-in-transit; or from point of storage or storage-in-transit to point of destination. These rates include pickup and delivery, subject to Item 140 (Flight and Long Carry Rates).

- (a) For transportation of shipments for distances of 100 constructive miles or less, the distance rates (Items 300, 310, 380 or 390), distance piece rates (Item 330) or hourly rates (Item 320) apply subject to Items 28 and 128. 16
- (b) For the transportation of shipments for distances in excess of 100 constructive miles, the distance rates (Items 300, 310, 380 or 390) shall apply, subject to Item 20 (Alternative Application of Rates).

2. The rates provided in Item 340 shall apply for the accessorial services of packing, unpacking and sale of containers.

3. The rates provided in Item 136 shall apply for the valuation of all shipments.

4. The unit(s) of measurement specified and agreed to in the Agreement for Service shall govern the application of rates for the shipment.

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ALTERNATIVE APPLICATION OF RATES

In the event two or more rates are named for the same transportation, the lower rate shall apply as the maximum rate, subject to Item 16 (Application of Rates). 20

LEVELS OF RATES QUOTED AND ASSESSED

1. Rates published in this tariff are maximum fixed rates. Carriers may quote and assess levels of rates lower than these published maximum fixed rates (see NOTE).

NOTE: The provisions of paragraph 1 of this item shall not apply to the rate provisions contained in the following parts of this tariff:

- Item 32 (Disposition of Fractions).
- Paragraph 5 of Item 36 (Computation of Time under the Hourly Rates Named in Item 320). 24
- Paragraph 9(d) of Item 88 (Relationship With The Public).
- Item 92 (Claims for Loss or Damage).
- Paragraph 4 of Item 100 (Delays in Pickup or Delivery).
- Note 3 of Item 140 (Flight and Long Carry Rates).
- Paragraph 1 and Note 2 of Item 160 (Storage-in-Transit).

OBSERVANCE OF QUOTED RATES AND CHARGES

1. When an Estimated Cost of Services (Estimate) is given, the maximum charges shall be determined under provisions of Items 108, 112, 116, and 120.

2. When an Estimate is not given, the maximum charge shall be the lower of: 28

- (a) The Not to Exceed Price listed in the Agreement for Service (Agreement), plus any charges for services noted on a Change Order for Services (Change Order) completed in accordance with Item 120 and after the Agreement is signed.

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OBSERVANCE OF QUOTED RATES AND CHARGES (Concluded)

- (b) The charges as calculated on the basis of the rates and charges specified in the Agreement, plus any charges for services noted on a Change Order completed in accordance with Item 120 after the Agreement is signed.

3. If carrier fails to issue an Agreement in accordance with Item 128, or if such document is issued but does not contain the information specified in subparagraph (a) and (b), rates utilized in determining the charges for services not described or for rates not quoted shall be 45 percent below the maximum fixed rates published in this tariff. If the Agreement does not contain the information specified in subparagraph (c), (d), or (e), rates utilized in determining the charges for all transportation and accessorial services performed shall be the lowest of:

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1) 45 percent below the maximum fixed rates published in this tariff; 2) rates quoted in the Estimate; or 3) rates quoted in the Agreement.

- (a) A description of transportation and accessorial services ordered to be undertaken.
- (b) Rates quoted for the services so described.
- (c) Not To Exceed Price for all services described.
- (d) Signature of shipper.
- (e) Signature of carrier.

DISPOSITION OF FRACTIONS

In computing a rate based on a percentage of another rate, the following rule shall be observed in the disposition of fractions.

- (a) Fractions of less than 1/2 or .50 of a cent, omit.
- (b) Fractions of 1/2 or .50 of a cent or greater, increase to the next whole figure.

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COMPUTATION OF TIME UNDER THE HOURLY RATES
NAMED IN ITEMS 320 AND 340

1. In computing charges accruing under the hourly rates contained in Item 320, the time used shall be the total of loading, unloading and double the driving time from point of origin to point of destination, subject to EXCEPTIONS 1 through 3.

EXCEPTION 1 -- When carrier is required to perform more than one trip between origin and destination, the time used shall be the total of loading and unloading time, to which will be added double driving time for the first trip from origin to destination and actual driving time for all additional trips between origin and destination for each motor vehicle furnished by carrier.

EXCEPTION 2 -- When two or more shipments are transported on a unit of equipment at the same time, the time used shall be the total of loading and unloading time plus 25 minutes total driving time for each shipment.

EXCEPTION 3 -- When split pickup, split delivery or split pickup and split delivery in combination is performed, the time used shall be computed in accordance with the provisions of Items 148, 152, or 156, respectively.

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2. When shipper requests the service of an additional helper or helpers to assist in loading or unloading but not both, the charge shall be determined by applying the rate per person per hour, provided in Item 320 for additional helper(s), to both the time helper or helpers are engaged in performing these services and double the travel time required for helper(s) to travel from carrier's place of business to point of loading or unloading.

3. When two or more units of equipment are furnished for transportation of a single shipment and the driver and/or helper(s) of any one unit assist in loading and unloading another unit, the time such persons are so engaged shall be charged for at the rate provided in Item 320 for additional helpers. During any such interval, time shall not accrue for the unit or units of equipment not being loaded or unloaded.

4. When packing and/or unpacking service is provided on hourly moves, the time actually spent packing or unpacking or both shall be recorded on the shipping document in accordance with paragraph 5 of this item. Rates for packing and unpacking shall be no higher than those provided in Item 340. When packing or unpacking is performed at hourly rates, time shall be the total time actually spent packing or unpacking or both.

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**COMPUTATION OF TIME UNDER THE HOURLY RATES
NAMED IN ITEMS 320 AND 340 (Concluded)**

5. Carrier's shipping documents shall contain a legible record of all starting and ending times, accurate to the minute, for each phase of service rendered under the provisions of paragraphs 1, 2, 3 and 4 hereof. Such times shall be totalled and the sum converted into hours and/or fractions thereof. Fractions of an hour shall be determined in accordance with the following table:

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Minutes		Fractional Hour
Over	But Not Over	
0 -----	7 -----	Omit
7 -----	22 -----	1/4
22 -----	37 -----	1/2
37 -----	52 -----	3/4
52 -----	60 -----	1

COMPUTATION OF DISTANCES

Distances to be used in connection with distance rates provided herein shall be the shortest mileage via any public highway route, computed in accordance with the method provided in the Distance Table. 40

UNITS OF MEASUREMENT TO BE OBSERVED

Rates and charges shall not be quoted or assessed by carriers based upon a unit of measurement different from that in which the rates and charges of this tariff are stated. 44

SHIPMENTS TO BE RATED SEPARATELY

Each shipment shall be rated separately. Shipments shall not be consolidated or combined by carrier.

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NOTE: Component parts of a shipment may be combined under the provisions of Items 148 (Split Pickup), 152 (Split Delivery) or 156 (Split Pickup and Split Delivery in Combination).

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MIXED SHIPMENTS

When one or more commodities for which rates are not provided in this tariff are included in the same shipment with commodities for which rates are herein provided, the rate or rates applicable to the entire shipment may be determined as though all of the commodities were rateable under the provisions of this tariff at the combined weight of the mixed shipment; or, the commodities for which rates are provided in this tariff may be transported at the applicable rates provided herein, and the commodities for which rates are not provided herein may be transported at the rates provided in other tariffs or at rates which might be otherwise applicable, provided separate weights or other authorized units of measurement are furnished or obtained. In the event the latter basis is used, rates no higher than those provided in this tariff shall apply to the entire shipment.

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DIVERTED SHIPMENTS

1. When shipper or shipper's representative specifically requests a change in destination or routing of a shipment after transportation commences, the shipment will be considered to be a diverted shipment.

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2. Charges for a diverted shipment transported under the distance rates in Item 300 or 310 shall be computed at the applicable rate in effect on the date of shipment from point of origin via each point where diversion occurs to final destination, plus a maximum additional charge of \$33.20 for each diversion.

SHIPMENTS TRANSPORTED BY TWO OR MORE CARRIERS

When a shipment in continuous through movement is transported by two or more carriers, the rate level authorized in paragraph 1 of Item 24 from point of origin to point of destination shall be the maximum fixed rate level for the combined transportation. A shipment moving at a Commission authorized deviated rate level shall be transported from point of origin to point of destination only by the individual carrier so authorized to quote and assess such a rate level (see EXCEPTION).

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EXCEPTION -- For purposes of this item Independent Contractor Subhaulers shall not be considered as separate carriers.

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CHARGES COLLECTED BY ONE CARRIER FOR ANOTHER

When charges are collected by one carrier for another, a detailed statement of the charges shall be furnished to the collecting carrier by the carrier for which collection is to be made. Such statement shall be presented to shipper with the freight bill submitted for payment. 68

PAYMENT OF COMMISSIONS

Except where prohibited by law, commissions not to exceed five (5) percent of transportation charges may be paid by carriers to persons or corporations not operating as for-hire carriers of used household goods and other articles, as described in and for which rates are provided in this tariff (see EXCEPTION). 72

EXCEPTION -- Carriers shall not pay commissions to a shipper, consignee, or the employer thereof, nor to the payer of the transportation charges.

REFERENCES TO ITEMS, OTHER TARIFFS AND OTHER DOCUMENTS

Unless otherwise provided, references herein to General Orders or item numbers in this or other tariffs include amendments and successive issues of such items or documents. 76

WEIGHTS AND WEIGHING

1. The weight to be used in assessing charges stated on a weight basis shall be the weight of property tendered for transportation. Such weight shall not include the weight of pads, empty containers, dollies, hand trucks or other carrier equipment.

2. Prior to delivery and unloading of a shipment transported under distance rates contained in Items 300, 310, 380, or 390, carrier shall arrange to determine the weight of such shipment by obtaining a weighmaster's certificate or weight ticket. On shipments estimated as weighing less than 1,000 pounds, carrier may have the shipment weighed over platform or hand scales in lieu of obtaining a weighmaster's certificate, provided a written statement of weight signed by the weigher is obtained. 80

3. No charge shall be made for such weighing service.

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WEIGHTS AND WEIGHING (Concluded)

4. In instances where more than one weighmaster's certificate or weight ticket has been obtained covering the same shipment, the lowest of the net scale weights shall be used in computing the applicable charges.

5. The carrier, upon request of shipper, owner, or consignee, when made prior to delivery of a shipment and when practicable to do so, will reweigh the shipment. No charge will be made if the difference between the two net scale weights exceeds 100 pounds on shipments weighing 5,000 pounds or less or exceeds two percent of the lower net scale weights on shipments weighing more than 5,000 pounds. The lower of the two net scale weights shall be used for determining applicable charges. If the difference between the two net scale weights is less than stated above, an additional charge of up to \$28.55 may be assessed for each such reweighing service requested.

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6. When requested by shipper, carrier will notify shipper by telephone, telegraph, or fax (as requested) of weight and/or charges.

NOTIFICATION TO SHIPPER OF CHARGES

Whenever the shipper specifically requests notification of the actual weight and charges on a shipment rated under distance rates in Items 300, 310, 380, or 390 and supplies carrier with an address, telephone or fax number, carrier shall comply with such request immediately upon determining the actual weight and charges.

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RELATIONSHIPS WITH THE PUBLIC

1. Any carrier doing business under one or more fictitious names shall, with respect to each fictitious name, comply with Business and Professions Code of California, Chapter 5, Part 3, Division 7, entitled, "Fictitious Business Names". To show compliance, carrier shall file with this Commission certified copies of fictitious business name statements and affidavits of publication required to be filed with the county clerk for carrier's principal place of business.

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2. Upon abandonment of fictitious business name, any carrier doing business under one or more fictitious names shall file with this Commission a statement of abandonment of fictitious business name.

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RELATIONSHIPS WITH THE PUBLIC (Continued)

3. Carriers shall show the following information on their stationery, shipping documents and related forms:

- (a) All names, both real and fictitious, used by the carrier in conducting its operations.
- (b) The address of its principal place of business, designated as such, and of such local offices as may be desired where business with the public is conducted.
- (c) Identification of the name under which the particular transportation is performed where more than one name is listed.
- (d) The carrier's Commission issued number (CAL P.U.C. T- _____).

4. The carrier's books of account shall separately show the revenues derived from operations conducted under each name used by carrier.

5. Carriers listing more than one name in the classified section of a telephone directory shall cross-reference each name to all other names listed.

6. Carriers shall not advertise rates in any telephone directory.

7. Printed advertising matter, including hand bills, newspaper advertising, and classified telephone directory listings and advertisements which advertise or solicit the intrastate movement of used household goods shall show the household goods carrier's "T" number as issued by the Commission. The number shall be printed in this manner: "CAL. P.U.C. T- _____."

8. Carriers shall not, in any manner, misrepresent their rates nor the scope of services offered to the public. Specifically, carriers shall:

- (a) Not advertise or otherwise represent themselves under any name different from that under which their effective permits are issued by the Commission.

EXCEPTION -- Carriers who are duly authorized agents for other carriers as defined herein or for motor carriers operating under the jurisdiction of the Interstate Commerce Commission, may advertise and represent themselves as such an agent.

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RELATIONSHIPS WITH THE PUBLIC (Continued)

- (b) Make it clear to the customer whether carrier is acting on its own authority or as an agent for another carrier.
- (c) Not advertise or otherwise represent that carrier operations are conducted at addresses or locations where the carrier or his duly authorized agent does not maintain a place of business. The location of a telephone answering service is not "a place of business" as such term is used in this item.
- (d) Not include misleading descriptions or displays of nonexistent facilities or equipment in any advertising.
- (e) Not willfully quote or estimate a lower rate or charge knowing the actual rate or charges will be more than the quote or estimate.

9. Carriers shall furnish to each prospective shipper a copy of the information specified in Item 470 of this tariff, the Important Information For Persons Moving Household Goods booklet. The format may be that which the individual carrier finds most convenient. If shipper receives, from any source, all information contained in Item 470, in a readable form, this item's requirements will have been met. (See Notes 1 and 2.)

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- (a) This informational material shall be furnished to the prospective shipper at time of first in-person contact between carrier's personnel and the shipper or shipper's representative.
- (b) If a move is arranged and confirmed by mail or telephone, and no in-person contact with the prospective shipper is to be made prior to the day of the move, carrier shall mail to the prospective shipper a copy of the informational material prior to moving day if sufficient time remains to do so. Such mailing shall be by Registered Mail, return receipt requested.
- (c) The carrier performing the move must obtain shipper's signature on the Agreement for Service (before the move begins) that shipper has received the informational material from the carrier or another source.
- (d) All receipts for the information shall be retained in carrier's records for a period of three years and shall include name of shipper, carrier bill of lading number, date and signature of shipper (see NOTE).

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RELATIONSHIPS WITH THE PUBLIC (Concluded)

- (e) Any carrier performing transportation of goods described in Item 12 who has not complied with paragraph 9 of Item 88, in its entirety, shall pay the shipper \$100 upon completion of the move.

NOTE 1: For the purpose of this item, the prospective shipper is the owner of the tendered used household goods, regardless of who pays the freight charges.

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NOTE 2: For multiple or repeat shippers, a Master Agreement may be used to cover all moves for that shipper rather than individual agreements for each move. Such Master Agreement must accomplish the purpose of this tariff, not violate the intent of the tariff, and shipping documents must reference the Master Agreement where appropriate.

CLAIMS FOR LOSS OR DAMAGE

1. Written claims required.

A claim for loss or damage need not be voluntarily paid by a carrier unless filed in writing as provided in paragraph 2 below. The claim must be filed with either the receiving or delivering carrier, or carrier issuing the shipping document, or carrier on whose line the alleged loss or damage occurred. The claim must be filed within the specified time limits established in paragraph 14 and as otherwise required by law, the term of the shipping document or other contract of carriage, and all applicable tariff provisions.

2. Minimum filing requirements.

A written communication from a claimant filed with carrier within the time limits specified in paragraph 14 of this item will be considered in compliance with the provisions for filing claims if it contains the following information:

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- (a) facts sufficient to identify the shipment (or shipments) of property involved;
- (b) assertion of liability for alleged loss or damage; and
- (c) claims for payment of a specified or determinable amount of money.

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CLAIMS FOR LOSS OR DAMAGE (Continued)

3. Documents not constituting claims.
Bad-order reports, appraisal reports of damage, notations of shortage or damage, or both, on freight bills, delivery receipts, or inspection reports issued by carriers or their inspection agencies, whether the extent of loss or damage is indicated in dollars or not, may be used to support a written claim filed in accordance with paragraph 2 of this item, but may not be filed in lieu of a written claim.
4. Claims filed for uncertain amounts.
Whenever a claim is presented against a carrier for an uncertain amount, such as \$100 more or less, carrier will determine the condition of the shipment involved at the time of delivery, and will ascertain as nearly as possible the extent of the loss or damage for which it may be responsible. Carrier need not, however, voluntarily pay a claim under such circumstances unless and until a claim in writing for a specified or determinable amount of money has been filed in accordance with the provisions of paragraph 2 of this item.
5. Other claims.
If investigation of a claim reveals that one or more other carriers has been presented with a similar claim on the same shipment, the carrier investigating such claim will communicate with each other carrier and, prior to any agreement entered into between or among them as to the proper disposition of such claim or claims, will notify all claimants of the receipt of conflicting or overlapping claims and will require further substantiation on the part of each claimant of his title to the property involved or his right with respect to such claim.
6. Concealed damage or shortage.
Carrier must be promptly notified after discovery of concealed damage or shortage and be given reasonable opportunity to inspect shipment and packing. Carrier will promptly and thoroughly investigate the claim and will establish a claim file in connection therewith.
7. Supporting documents.
When necessary for an investigation, each claim must be supported by a duplicate shipping document (if not previously surrendered to carrier), and the original paid bill for transportation services or a copy thereof. For

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CLAIMS FOR LOSS OR DAMAGE (Continued)

each article claimed, the nature and extent of damage must be identified as well as the basis for the amount claimed, i.e., date article purchased, original cost, amount of depreciation, actual cash value at time of loss or damage, and, in the case of damage, a repair estimate.

8. Verification of loss.

When an asserted claim for loss of an entire package or an entire shipment cannot be otherwise authenticated upon investigation, carrier will obtain from consignee a certified written statement that the property for which the claim is filed has not been received from any other source.

9. Satisfaction of claims.

Carrier may satisfy a claim by repairing or replacing the property lost or damaged with materials of like kind, quality and condition at time of acceptance by carrier.

10. No liability following deliveries.

The carrier shall not be liable for loss or damage occurring after the property has been delivered to or receipted for by the consignee or shipper, or the authorized agent. When the carrier is directed to unload or to deliver property (or render any services) at a place or places at which the consignee or its agent is not present, the property shall be at the risk of the owner after unloading or delivery. Notwithstanding these provisions, no claim against a household goods carrier shall be denied solely because the lost or damaged goods were not noted at the time of delivery.

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11. No liability at origin prior to loading.

Where the carrier is directed to load property from (or render any service at) a place or places at which the consignor or its agent is not present, the property shall be at the risk of the owner before packing and loading.

12. "Pairs and sets" liability.

The carrier's liability regarding sets or matched pieces shall be limited to repair or replacement of the lost or damaged piece(s) only and shall not extend to repair or replacement of the entire set; but in no event exceed the limits of liability as set forth in Item 136 hereof.

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CLAIMS FOR LOSS OR DAMAGE (Continued)

13. Constructive weight of packed interior shipping containers.
 When the liability of carrier is to be measured by the weight of the article lost or damaged, and the article is packed in an interior shipping container, in the absence of specific evidence to the contrary, such interior shipping container will be deemed to have the following weight:

<u>Container</u>	<u>Weight Per Container (In Pounds)</u>	
DRUM, DISH-PACK-----	60	
CARTONS:		
Less than 1 1/2 cu. ft. -----	20	
1 1/2 - Less than 3 cu. ft.-----	25	
3 - Less than 4 1/2 cu. ft.-----	30	
4 1/2 - Less than 6 cu. ft.-----	35	
6 - Less than 6 1/2 cu. ft.-----	45	
6 1/2 cu. ft. and over -----	50	
Wardrobe carton -----	50	
Mattress or box-spring carton (Not exceeding 54" x 75" -----	60	
Mattress or box-spring carton (Exceeding 54" x 75")-----	80	
Crib mattress carton -----	22	

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NOTE 1: Cartons containing books or phonograph records will be deemed to weigh 50 pounds.

NOTE 2: Cartons containing lamp shades will be deemed to weigh 10 pounds.

NOTE 3: Items not identified on the inventory as to contents will be settled by using the heaviest weight on the schedule for the container.

14. Time limit for filing claims.

As a condition precedent to recovery, a claim for any loss or damage must be filed in writing with the carrier within nine (9) months after delivery to consignee as shown on shipping document, or in case of failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed; and, suit must be instituted against

CLAIMS FOR LOSS OR DAMAGE (Continued)

carrier within two (2) years and one (1) day from the date when notice in writing is given by carrier to the claimant that carrier has disallowed the claim or any part or parts specified in the notice. Where a claim is not filed or suit is not instituted in accordance with the foregoing provisions, carrier shall not be liable and such claim need not be paid.

15. Acknowledgment and settlement by carrier.

Every carrier receiving a written claim for loss or damage to property transported by it shall acknowledge receipt of such claim in writing to claimant within 30 days after receipt by carrier or carrier's agent. The carrier shall, at the time claim is received, record date of receipt.

Every carrier receiving a written claim for loss or damage to property transported by it shall, in writing, pay, decline to pay, or make a firm compromise settlement offer to claimant within 60 days after receipt of claim by carrier or its agent. If carrier declines to pay or offers a lesser amount than sought, carrier shall, in writing, state the basis for denial or reduction. If for reasons beyond the control of carrier the claim cannot be processed and disposed of within 60 days after receipt, carrier at that time and at the expiration of each succeeding 30-day period while the claim remains pending, shall advise claimant in writing of the status of the claim and reasons for the delay in making final disposition thereof, and shall send a copy of such letter to the California Public Utilities Commission, Compliance and Enforcement Branch, Governor Edmund G. "Pat" Brown Building, 505 Van Ness Avenue, San Francisco, California 94102.

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16. Claim register.

Every carrier of used property as provided in this tariff, shall maintain a claim register, showing for each cargo loss and damage claim received, the claim number, date and amount; the shipping order or freight bill number and date; name of claimant; kind of commodity; date claim was paid; total amount paid (or date claim was disallowed and reasons); amount of salvage recovered, if any; amounts reimbursed by insurance companies, connecting carriers, or others, and the amount absorbed by the carriers. Each claim received shall be entered in the register and should

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CLAIMS FOR LOSS OR DAMAGE (Concluded)

be supported by the complete file of claim papers. However, if the original claim papers are retained by insurance companies, connecting carriers or others, the carrier's records shall contain copies of all documents and an acknowledgment from the party retaining the claim file that the original papers are in its possession.

17. Salvage.

Whenever property transported by a carrier is damaged or alleged to be damaged and, as a consequence, is not delivered or is rejected or is refused upon tender to the owner, shipper, or consignee, carrier may follow the salvage rules. The carrier must give due notice to the owner and other parties that may have an interest in the property, whenever practicable to do so. After giving notice, carrier, if not advised to the contrary by the interested parties, will undertake to sell or dispose of such property directly or by the employment of a competent salvage agent. Carrier will dispose of the property only in a manner that will fairly and equally protect the best interests of all persons having an interest therein. Carrier will make an itemized record sufficient to identify the property involved so as to be able to correlate it to the shipment or transportation involved, and claim, if any, filed thereon. Carrier also will assign to each lot of such property a successive lot number and note that lot number on its record of shipment and claim, if any claim is filed.

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Upon receipt of a claim on a shipment on which salvage has been processed in the manner described, carrier will record in its claim file the lot number assigned, the amount of money recovered, if any, for the disposition of such property, and the date of transmittal of such money to the person or persons lawfully entitled to receive the same.

CLAIM SETTLEMENT SERVICE CHARGE

Upon request of a party, person, firm or establishment assuming liability for loss or damage in excess of the carrier's liability for a shipment on which credit has been extended by a carrier to such party, person, firm or establishment for the charges applicable to such shipment, the carrier will:

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1. Investigate any loss or damage claim;

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CLAIM SETTLEMENT SERVICE CHARGE (Concluded)

2. Arrange for the repair of all damaged articles when appropriate, and make equitable settlement with shipper for all lost and damaged articles for which repair is not deemed appropriate. Carrier assumes only that portion of the amount required to settle the claim for which it is liable and any additional amount is to be borne by the person or firm assuming excess liability; and

3. Render to the person or firm assuming excess liability an invoice payable in seven (7) days for the amount required to settle the claim which exceeds the carrier's liability, plus the charge provided for in this item.

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The charge for all services described shall not exceed \$54.95 per shipment.

NOTE: Any charges or portions thereof for services of others engaged at the request of the person or firm assuming excess liability, which are over and above the amount for which carrier is liable under its bill of lading, will be at the expense of such person or firm and will be in addition to all other rates and charges.

INABILITY TO MAKE DELIVERY

1. In all instances where carrier is unable to locate the consignee, notification of inability to make delivery will be mailed, telegraphed or faxed to consignee, consignor or owner, or written notice delivered to the premises where actual delivery was to be made or to other notifying address. The shipment will then be placed in the nearest warehouse of carrier or, at carrier's option, in a public warehouse. Upon such placement, carrier's liability shall cease and liability shall thereafter be that of the warehouseman in possession.

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2. In all instances where consignee is unable to take delivery or declines to accept delivery of the shipment, or where the shipment remains in carrier's possession pursuant to instructions of shipper or consignee and is not accorded storage-in-transit under provisions of Item 160, the shipment will be placed in the nearest warehouse of carrier or, at carrier's option, in a public warehouse. Upon such placement, carrier's liability shall cease and liability shall thereafter be that of the warehouseman in possession.

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INABILITY TO MAKE DELIVERY (Concluded)

3. In cases where a subsequent delivery is made, charges shall be assessed for subsequent delivery on the basis of rates lawfully applicable from carrier's warehouse or from public warehouse (as the case may be) to point of destination.

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DELAYS IN PICKUP OR DELIVERY

1. If a carrier agrees with a shipper to pick up a shipment of used household goods on a specified date and/or time and it is unable to fulfill that commitment, carrier shall notify shipper (or person designated by shipper), by telegram, telephone, or fax, at carrier's expense, as it becomes apparent that a promised date and/or time will not be met.

2. Whenever a carrier is unable to make delivery of a shipment of used household goods on the date or during the time period specified in the shipping order, carrier shall notify shipper (or person designated by shipper), by telegram, telephone, or fax, at carrier's expense, of the date on which the shipment will be delivered. Such notification shall be given not less than 24 hours prior to the date or during the period shown on the shipping order, except when the circumstances causing the delay occur at a later time, in which case the notice shall be given as soon as possible but in no event more than 24 hours after the occurrence. This requirement shall not apply when carrier is unable to obtain from shipper an address or telephone number for such notification.

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3. Shipper may present claims for reimbursement for damages due to carrier negligence in failing to 1) pick up a shipment on the date promised or 2) deliver a shipment on the date or during the time period specified in the shipping order, Agreement for Service, or other contract of carriage. Carrier shall respond in accordance with Item 92, paragraph 15.

4. When requested in writing by shipper, carrier will pick up a shipment on an agreed date and deliver the shipment within a span of two consecutive agreed dates. If pickup or delivery is not made on agreed dates, carrier shall pay shipper \$100 per day for each and every day pickup or delivery is delayed. This payment shall be in addition to any claim filed pursuant to paragraph 3 above. A written claim for such allowance shall be made within 30 days of delivery.

EXCEPTION: Shall not apply to shipments weighing less than 5,000 lbs. and/or transported less than 75 constructive miles.

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COLLECTION OF CHARGES

1. Transportation and accessorial charges may be collected by carriers prior to relinquishing physical possession of shipments entrusted to them for transportation. Whether carrier believes other charges are due or not, carrier must unload a shipment at destination upon payment of the Not To Exceed Price, plus all charges on valid Change Orders for Services. Payment of charges may be made by credit card, which shall be considered to be payment in cash for the purpose of this item.

2. Upon taking sufficient precautions to assure payment of charges, carriers may relinquish possession of freight in advance of payment of charges thereon and may extend credit in the amount of charges to those who undertake to pay them, such persons herein being called debtors.

3. Where a carrier has relinquished possession of freight and collected the amount of charges represented in the freight bill presented by it as the total amount of such charges, and another freight bill for additional charges is thereafter presented to the debtor, the carrier may extend credit in the amount of such additional charges.

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4. Freight bills for all transportation and accessorial charges shall be presented to debtors within seven (7) calendar days from the first 12 o'clock midnight following delivery of the freight.

5. Debtors may elect to have their freight bills presented by means of the United States mail, and when the mail service is so used the time of mailing by carrier, as evidenced by the postmark, shall be deemed to be the time of presentation of the freight bills.

6. For the purpose of this item, the mailing by debtor of satisfactory means (to carrier) of payment of freight charges, such as valid checks, drafts, or money orders, within the allowed credit period may be deemed to be the collection of charges within the credit period. In case of dispute as to time of mailing, the postmark shall be accepted as showing such time.

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ESTIMATED COST OF SERVICES

1. Carrier's Estimated Cost of Services.

- (a) Every carrier of household goods may give a shipper an estimate of costs for proposed services. The estimated cost shall be given only after visual inspection of the goods to be moved and shall be in writing.
- (b) The Estimated Cost of Services form (Estimate) shall contain all the information in Item 420. Across the top of each form shall be imprinted in red letters not less than 1/8 inch high the words "ESTIMATED COST OF SERVICES". The note entitled "IMPORTANT NOTICE", indicated in Item 420, shall be imprinted in letters not less than 10 point bold, universe or Gothic.

(c) The estimator shall:

- (1) Base the Estimate on information contained in the Basis for Carrier's Estimated Cost of Services as indicated in Items 112 and 400 (see NOTE).

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NOTE: The Table of Measurements and Estimate set forth in Item 410 shall also be used in connection with estimating charges based on weight.

- (2) Consider all factors affecting the move at origin such as:
- a. flights
 - b. long carries
 - c. elevators
 - d. hoisting and lowering
- (3) Execute required documents completely and properly.
- (4) Use cubic measurements no less than those shown for each article on the Table of Measurements and Estimate contained in Item 410 and determine the approximate weight of the shipment by multiplying total cubic feet of the shipment by seven (7) pounds per cubic foot for those shipments whose charges are based on weight.
- (d) The Estimate shall be signed by carrier's estimator and a duplicate given to shipper.

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ESTIMATED COST OF SERVICES (Continued)

- (e) If total charges calculated in the Estimate exceed total charges calculated using the maximum fixed rate, the estimator shall note the difference in total charges on the Estimate.
- (f) The original document shall be retained by the issuing carrier, subject to Commission inspection for a period of not less than three (3) years from the date of the freight bill or shipping order; or, from the date of the Estimate if the carrier does not perform the transportation.

2. Maximum charges to be assessed by carrier on estimated services.

- (a) When an Estimate is issued three (3) days or more before the day of the move, the maximum charge shall be the lesser of the following:
 - (1) The amount of the Estimate (plus the charges on a Change Order, if applicable), which may exceed the charges calculated using the maximum fixed rate.
 - (2) The charges calculated using the rates quoted in the Agreement for Service (Agreement), multiplied by the actual units of measurement.

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NOTE: Rates quoted on a Change Order to an Estimate may exceed maximum fixed rates when both the Change Order and Estimate are issued three (3) days or more before the day of the move.

EXCEPTION to 2(a): If the carrier and shipper agree the amount of the estimate will be both the maximum and minimum amount due for services described in the Estimate, then the amount charged will be the amount of the Estimate. Agreement between carrier and shipper must be noted on both the Estimate and the Agreement by carrier applying minimum weights, hours or dollar amounts producing a price equal to the total estimated cost of services. In this case, weighing the load or recording hours is not required.

- (b) When an Estimate is given less than three (3) days before the day of the move the maximum charge shall be the lesser of the following:
 - (1) The amount of the Estimate (plus the charges on a Change Order, if applicable), which shall not exceed the charges calculated using the maximum fixed rate.

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ESTIMATED COST OF SERVICES (Concluded)

- (2) The charges calculated using the rates quoted in the Agreement, multiplied by the actual units of measurement.

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NOTE: No less than three days before the move means on or before the third day before the day of the move. For example, if Saturday is the day of the move, to exceed maximum fixed rates the Estimate must be given on or before Wednesday.

BASIS FOR CARRIER'S ESTIMATED COST OF SERVICES

1. The carrier shall complete the Basis for Carrier's Estimated Cost of Services (Basis for Estimate) only after the estimator visually inspects the goods prior to determining the estimated cost of requested services. Such document shall be signed by shipper or shipper's representative and a duplicate given to shipper.

2. The Basis for Estimate shall contain all the information set forth in Item 400. Across the top of each form shall be imprinted in red letters not less than 1/8 inch high the words "BASIS FOR CARRIER'S ESTIMATED COST OF SERVICES". The contents of the form shall also contain two shipper statements as indicated in Item 400, imprinted in letters not less than 10 point bold, universe or Gothic.

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3. The original document shall be retained and preserved by the issuing carrier, subject to Commission inspection, for a period of not less than three (3) years from the date of the freight bill or shipping order; or, from the date of the Basis for Estimate if the carrier does not perform the transportation.

TABLE OF MEASUREMENTS AND ESTIMATE

(See EXCEPTION.)

1. The carrier shall complete the Table of Measurements and Estimate when estimating charges on any shipment that will include service for which rates in this tariff are based on weight or cubic feet.

2. The Table of Measurements and Estimate shall be in the form set forth in Item 410 or a form containing the complete contents of Item 410 (see NOTE).

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TABLE OF MEASUREMENTS AND ESTIMATE (Concluded)

3. The Table of Measurements and Estimate contained in Item 410 shall be printed on the reverse side of Basis for Carrier's Estimated Cost of Services contained in Item 400.

4. The total cubic footage determined under the provisions of this item shall be multiplied by seven (7) to determine total approximate weight in pounds.

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EXCEPTION -- The provisions of this item are not required for transportation of used office equipment and store fixtures and equipment as described in paragraph 1(b) of Item 12.

NOTE: Forms prepared or completed electronically on the job will be acceptable provided all requirements of this item are met.

CHANGE ORDER FOR SERVICES

1. If shipper asks for additional services or adds additional articles to the shipment, not covered in the Basis for Carrier's Estimated Cost of Services or the Not To Exceed Price on the Agreement for Service (Agreement), carrier shall prepare in duplicate, a Change Order for Services in the form contained in Item 440. Such document shall be signed by carrier and shipper prior to commencement of performance of any specified service and the signed original delivered to shipper prior to or at time service is begun. The document shall contain the following information:

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- (a) Date.
- (b) Shipping Order/bill of lading number.
- (c) Name, address and T number of carrier or carriers.
- (d) Description of the additions to the shipment (itemize additional articles only).
- (e) Description of additional transportation and accessorial services to be performed (including number of helpers and number of packers to be provided).
- (f) Rates to be applied to additional articles or services.
- (g) Valuation of shipment, if different from that provided on the Agreement (subject to Item 136).
- (h) The following statements, placed in an appropriate area of the document in letters not less than 10 point bold, universe or Gothic:

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CHANGE ORDER FOR SERVICES (Concluded)

- (1) THIS WILL CERTIFY AND ATTEST THAT SHIPPER OR SHIPPER'S REPRESENTATIVE AS SHOWN ON ORDER FOR SERVICE NO. _____ DATED _____ WITH (CARRIER'S NAME) _____ REQUESTS THE ADDITIONAL SERVICES AND CHARGES AS INDICATED ON REVERSE OF THIS FORM.
- (2) THE ARTICLES LISTED WILL BE INCLUDED IN THE VALUATION DECLARED IN THE AGREEMENT FOR SERVICE UNLESS A CHANGE IS REQUESTED.
- (3) I UNDERSTAND THAT I MAY BE REQUIRED TO PAY FOR THE SERVICES REQUESTED ABOVE AT TIME OF DELIVERY. THESE CHARGES ARE IN ADDITION TO THOSE CHARGES SET FORTH IN THE ESTIMATED COST OF SERVICES. CARRIER IS NOT REQUIRED TO EXTEND CREDIT IN THE AMOUNT OF THE CHARGES ACCRUED FOR THE ABOVE ADDITIONAL SERVICES. I HAVE READ THIS CONTRACT AND AGREE WITH THE PROVISIONS HEREIN, AND HAVE RECEIVED A COPY.

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(i) The following statements, placed in an appropriate area of the document in letters not less than 12 point bold, caps:

(1) I UNDERSTAND THAT THE COST FOR SERVICES RENDERED WILL "NOT EXCEED" _____ . _____
 (Total Price) (Initial)

(2) I UNDERSTAND THAT I HAVE THE RIGHT TO REFUSE TO SIGN THIS CHANGE ORDER. _____
 (Initial)

(j) Signature of carrier and shipper or shipper's representative.

2. A duplicate document shall be retained and preserved by the issuing carrier, subject to Commission inspection, for a period of not less than three (3) years from date delivered.

AGREEMENT FOR SERVICE

1. Carrier shall prepare an Agreement for Service (Agreement) for all shippers who provide information in sufficient detail for carrier to complete the Agreement, regardless of shipper commitment to engage services of that carrier. An original or copy of such document shall be delivered by mail, or other convenient means, to shipper no less than three (3) days before the day of the move. Failure to deliver the Agreement in a timely manner or to

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AGREEMENT FOR SERVICE (Continued)

complete the document as required herein will result in rates being assessed in accordance with Item 28, paragraph 3. Such document shall be complete in all details, including carrier's initial signature binding carrier to the quoted rates. The Not To Exceed Price and carrier's final signature must be added no later than the day of the move, but prior to performing any service in commencement of the move.

NOTE: No less than three (3) days means the Agreement must be in the hands of shipper on the third day before the day of the move. For example, if Saturday is the day of the move, the Agreement must be in the hands of shipper on Wednesday.

EXCEPTION 1: If shipper's first contact with carrier is less than three (3) days before the day of the move, the Agreement may be completed on the day of the move.

EXCEPTION 2: Shippers may waive the three (3) day advance notice requirement at any time prior to the move. The waiver, which appears on the Agreement, must contain the following question: Did you choose to waive this requirement entirely? Shippers waive the requirement by checking the appropriate response and signing the waiver form. Exception 2 does not relieve carrier from its obligation to complete the Agreement before the move begins.

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EXCEPTION 3: For multiple or repeat shippers, a Master Agreement may be used to cover all moves for that shipper rather than individual agreements for each move. Such Master Agreement must accomplish the purpose of this tariff, not violate the intent of the tariff, and shipping documents must reference the Master Agreement where appropriate.

2. The Agreement shall be signed by carrier and shipper prior to commencement of performance of any specified service, and the signed original or duplicate delivered to shipper prior to or at time service is begun. Such document shall contain the following information:

- (a) Name, address and T number of carrier or carriers.
- (b) Date move is tendered.
- (c) Date Agreement issued.
- (d) Date and time of pickup requested or other arrangement.
- (e) Names of shippers and consignees.
- (f) Name, address or telephone number of party to be notified. (See Note 1.)
- (g) Description of notification and delivery arrangements.

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AGREEMENT FOR SERVICE (Continued)

- (h) Points of origin and destination.
- (i) Description of shipment, in sufficient detail to determine the articles and services included in the Not To Exceed Price.
- (j) Description of transportation and accessorial services to be performed (including number of helpers and number of packers to be provided).
- (k) Rates and charges quoted for the services described in the documents, including any minimums (hours, weights, packing materials and per pound valuation requirements). (See Note 2.)
- (l) Valuation of shipment. (See Notes 3 and 4.)
- (m) Signatures of carrier and shipper.
- (n) Name, address and telephone number of a person to whom notification provided for in Item 100 shall be given, except when this cannot be obtained from shipper.
- (o) Preferred delivery date or the time period within which delivery may be expected at destination.
- (p) Whether payment is to be made in cash, check or by credit card.
- (q) A Not To Exceed Price showing the maximum amount that may be charged for services listed. This will be the total amount shown on the Estimated Cost of Services, when issued, plus the total amount shown on any Change Order for Services (Change Order) issued before the Agreement is signed. Change Orders issued after the Agreement is signed will affect the Not To Exceed Price directly.
- (r) A Consumer Protections and/or Waivers section as set forth in Item 450. Each of the following elements shall be included:
 - (1) Explanation of carrier's obligation to ensure shipper has received the booklet "Important Information for Persons Moving Household Goods." Shipper must initial a statement "I have received the booklet."
 - (2) Explanation of the requirements to exceed the maximum fixed rates, and, if applicable, shipper's consent to charges to be assessed over the maximum fixed rates.
 - (3) Explanation of all loss and damage protection options. Shipper shall make a valuation declaration.
 - (4) Explanation of carrier's obligation to ensure shipper has the Agreement no less than three (3) days before the day of the move, and the conditions under which said obligation is nullified.

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AGREEMENT FOR SERVICE (Continued)

(5) Shipper's signature.

3. The form of the Agreement in Item 450 will be suitable and proper. The format may be that most convenient for carrier. Such form may be combined with the shipping document into a single document, provided that:

- (1) such single document (and its issuance) is in compliance with the provisions of this item and Item 132;
- (2) such single document is properly identified as to what it purports to be; and
- (3) carrier maintains a copy of the signed Agreement separate from the shipping document.

4. The original or duplicate documents (including a Master Agreement if one is referenced) shall be retained and preserved by the issuing carrier, subject to Commission inspection, for a period of not less than three (3) years from date issued.

5. The carrier must relinquish possession of the shipment upon payment of the applicable Not To Exceed Price plus the charges for all services listed on a Change Order issued after the Agreement is signed. Charges collected by carrier in excess of those based on rates quoted in the Agreement, Estimate, and/or Change Order shall be refunded to debtor within ten (10) days of collection.

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6. In the event of conflicting valuation declarations, valuation protection levels and/or rates for valuation, the figures and levels indicated on the Agreement will apply, except when a Change Order that indicates different valuation figures or levels is issued.

NOTE 1: Carrier shall request of shipper, a notification party and notification address or telephone number. When shipper cannot furnish such information, or declines to do so, that fact must be shown on the document.

NOTE 2: The following statement shall be placed upon the document:

IMPORTANT NOTICE

- (a) No rates higher than the Maximum Fixed Rates promulgated in the California Public Utilities Commission's Maximum Rate Tariff 4 may be quoted or charged, unless an Estimated Cost of Services has been issued three (3) days or more before the day of the move.

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AGREEMENT FOR SERVICE (Concluded)

The Not To Exceed Price shall be no higher than the Estimated Cost of Services plus any Change Order for Services issued prior to signing this Agreement. The maximum charge shall be the quoted rates applied to: the number of hours, weight, or number of other units of measurement, but no higher than the Not To Exceed Price.

- (b) Copies of the California Public Utilities Commission's Maximum Rate Tariff 4 are open for public inspection at the Commission's offices in San Francisco and Los Angeles and at the carrier's office: _____
(designate location)

NOTE 3: The following statement shall be placed on the Agreement in the Consumer Protections and/or Waivers section under the heading VALUATION DECLARATION:

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NOTICE: Coverage For Loss And Damage Is Limited To The Actual Cash Value Of Losses Up To The Amount Of \$20,000 Unless The Shipper Signing This Contract Inserts In The Space Below, In His (Or Her) Own Handwriting, Another Value. You May be Charged For Coverage Provided Other Than \$.60 Per Pound Per Article.

Shipper hereby releases the entire shipment to a value not exceeding \$ _____
(To be completed by shipper signing below.)

(As provided in Item 450, each valuation option offered by carrier must be listed, with carrier's charge, and a space for shipper to initial choice of coverage. In addition, if carrier elects to apply a minimum per pound valuation level, the carrier must so state.)

NOTE 4: The following statement shall be placed on the Agreement: EXECUTION OF THE AGREEMENT DOES NOT EXEMPT CARRIER FROM COMPLIANCE WITH ANY PROVISION OF LAW OR PUBLIC UTILITIES COMMISSION RULES OR REGULATIONS, EVEN THOUGH NOT EXPRESSLY SET FORTH IN THE AGREEMENT.

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SHIPPING ORDER AND FREIGHT BILL

1. A shipping document shall be issued by carrier to shipper for each shipment received for transportation. The shipping document shall show the following information:

- (a) Name, address and T number of carrier.
- (b) All names, both real and fictitious, used by carrier in conducting its operations.
- (c) Identification of the carrier name under which the particular transportation is performed where more than one name is listed.
- (d) The address of carrier's principal place of business, designated as such and of such local offices as may be desired where business with the public is conducted.
- (e) Date issued.
- (f) Name of each shipper and consignee.
- (g) Points of origin and destination.
- (h) Description of the shipment.
- (i) Unit of measurement upon which charges are based, namely:
 - (1) Actual time and minimum number of hours; or,
 - (2) Actual number of pieces; or,
 - (3) Actual and minimum weight; or,
 - (4) Minimum per pound valuations.
- (j) Deductions in time, if any, and reasons therefor.
- (k) Number of helpers and packers.
- (l) Rates and charges assessed.
- (m) Description of accessorial services performed, if any, and each separate charge therefor.
- (n) Signature of carrier or his agent.
- (o) Such other information as may be necessary to make an accurate determination of the applicable rate and charge.
- (p) Name, address and telephone number of a person to whom notification provided for in Item 100 shall be given, except when this cannot be obtained from the shipper.
- (q) Preferred delivery date or the period of time within which delivery of the shipment may be expected to be made at destination.
- (r) Not To Exceed Price.
- (s) Total charges on Estimated Cost of Services and Change Order for Services.
- (t) Whether payment is to be made by use of credit card.
- (u) The following notice whenever a carrier requires a signed statement acknowledging delivery and receipt of goods:

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NOTICE: PLEASE INSPECT YOUR GOODS PROMPTLY. CLAIMS FOR ANY LOST OR DAMAGED GOODS MUST BE FILED WITH THE CARRIER IN WRITING.

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SHIPPING ORDER AND FREIGHT BILL (Concluded)

2. The form of shipping document in Item 460 will be suitable and proper. Such form may be combined with the Agreement for Service into a single document provided such single document (and the issuance thereof) is in compliance with the provisions of Item 128 and is properly identified as to what it purports to be.

3. A duplicate of each shipping document, freight bill, accessorial service document, weighmaster's certificate, written instructions, written agreement, written request, Master Agreement or any other written document supporting rates and charges assessed and which the carrier is required to issue, receive or obtain by this tariff for any transportation or accessorial service shall be retained and preserved by the carrier, at a location within the State of California, subject to Commission inspection, for a period of not less than three (3) years from date issued. A copy of each such document pertaining to the shipment shall be given to shipper when charges are collected.

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DECLARATION OF VALUE -- VALUATION RATES

1. The transportation rates provided in this tariff are based upon a declared value of \$0.60 per pound per article, for the actual weight of any article(s) in a shipment. The declared value shall be deemed to relate to all services undertaken by carrier or its agents.

2. Unless shipper expressly declares a value other than \$20,000 for the shipment, carrier's maximum liability for loss and damage shall be up to \$20,000 of actual cash value.

3. The declared value must be entered on the Agreement for Service (Agreement) and signed by shipper, as described in Item 128, Note 3. (See Notes 1 and 2.)

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4. Carrier must state the valuation rates on the Agreement when issued. If carrier fails to do so, the rate shall default to \$0 (zero) for each \$100 (or fraction thereof) of declared value.

5. Each shipping piece or package and contents thereof shall constitute one article, except that total component parts of any article taken apart or knocked down for handling and loading in vehicle shall constitute one article for the purpose of determining carrier's liability. When an entire shipment is transported in

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DECLARATION OF VALUE -- VALUATION RATES (Continued)

containers, lift vans or shipping boxes, each shipping package, piece or loose item not enclosed within a package in such containers, lift vans or shipping boxes will constitute the article.

6. When Actual Cash Value protection is ordered in writing by the shipper, or if protection defaults to Actual Cash Value up to \$20,000 because no value is declared, carrier shall guarantee recovery for articles lost and damaged while in its possession at the actual cash value up to the declared value, or if none, \$20,000.

The maximum fixed rate for Actual Cash Value protection provided by the carrier will be \$0.63 for each \$100 (or fraction thereof) of declared value. (An additional valuation charge for storage-in-transit may apply; see Note 3.)

7. When Full Value protection is ordered in writing by the shipper, carrier shall guarantee either replacement, reimbursement for full replacement cost, or satisfactory repairs of article(s) lost or damaged while in carrier's custody, up to the declared value. (See Note 4.)

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The maximum fixed rate for Full Value protection provided by the carrier will be \$0.95 for each \$100 (or fraction thereof) of declared value. (An additional valuation charge for storage-in-transit may apply; see Note 3.)

a. When shipper assumes responsibility for the first \$250 of any claim, the maximum fixed rate shall be \$0.38 for each \$100 (or fraction thereof) of declared value. (See Note 5.)

b. When shipper assumes responsibility for the first \$500 of any claim, the maximum fixed rate shall be \$0.19 for each \$100 (or fraction thereof) of declared value. (See Note 5.)

8. When protection during storage-in-transit is ordered in writing by the shipper, carrier shall guarantee recovery of goods up to the declared value at the protection level chosen by the shipper. (See Notes 3 and 6.)

The maximum fixed rate for Storage-in-Transit provided by the carrier will be \$0.13 for each \$100 (or fraction thereof) of declared value.

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DECLARATION OF VALUE -- VALIATION RATES (Concluded)

9. In the event of conflicting valuation declarations, valuation protection levels and/or rates for valuation, the figures and levels indicated on the Agreement will apply, except when a Change Order for Services that indicates different figures or levels is issued.

NOTE 1: Where shipper is the employer of the actual owner of the used household goods being transported and is responsible for all charges in connection with the move, shipper may declare the value of the shipment to be a lump sum other than \$20,000 by (a) specification made on a purchase order, or (b) issuing in advance of shipping date, an appropriate letter of instructions to carrier. In such instances, carrier must incorporate the instructions by reference to the document in (a) or (b) above in the Agreement in lieu of the personal signature and handwritten statement relating to declared rates.

NOTE 2: For multiple or repeat shippers, a Master Agreement may be used to cover all moves for that shipper rather than individual agreements for each move. Such Master Agreement must accomplish the purpose of this tariff, not violate the intent of the tariff, and the shipping documents must reference the Master Agreement where appropriate.

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NOTE 3: On shipments accorded storage-in-transit under the provisions of Item 160, separate valuation charges may be assessed for the transportation from initial point of origin to point of storage and for the transportation from point of storage to point of destination.

NOTE 4: The carrier's guarantee of Full Value protection must be covered by insurance as provided in General Order 136 series unless the Commission has approved an application for furnishing alternative protection pursuant to General Order 136 series.

NOTE 5: When shipper presents a properly documented claim for loss or nondelivery of article(s) and the investigation establishes the carrier's liability for the loss or nondelivery, no deductible shall apply.

NOTE 6: No charge shall be made where storage-in-transit of a shipment is undertaken for carrier's convenience.

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FLIGHT AND LONG CARRY RATES

(See Notes 1 and 2.)

When pickup or delivery of a shipment requires flight or long carry service, the following rates per pickup or delivery per flight and/or long carry are the maximum fixed rates to be assessed:

Maximum Fixed Rates For
Flight and/or Long Carry

1. Shipment Rate Basis

Hourly under Item 320 -----	No additional
Piece under Item 330 -----	\$3.00 per piece
Distance under Items 300, 310, 380 or 390 -----	\$1.00 per 100 pounds (See Note 3.)

2. Pipe Organs, Grand Pianos, Harpsichords and all other types of pianos and organs not capable of being conveniently hand carried by one person

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Inside a building or house:

First Flight -----	\$18.65 (See Notes 4 and 6.)
Each additional flight ---	\$ 9.35

Outside a building or house:

First Flight -----	\$18.65 (See Notes 5 and 6.)
Each additional step -----	\$ 0.52

NOTE 1: FLIGHT CARRY for shipments of goods other than those described in paragraph 2 means a carry involving: (a) a series of over 7 but not over 20 stairway steps, except when inside a single dwelling; (b) each series of not more than 20 stairway steps in excess of the first 20, except when inside a single dwelling; (c) elevator service other than vehicular (motor vehicle) elevator service.

For the purpose of calculating the number of stairway steps in a series, a landing or level area occurring at a point on the stairway shall not be deemed to break the continuity of the series.

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FLIGHT AND LONG CARRY RATES (Concluded)

NOTE 2: LONG CARRY means each 50 feet or portion thereof carried in excess of the first 75 feet when, through no fault of the carrier, its unit of equipment cannot be placed 75 feet or closer to a stairway or other entrance of the dwelling at which the shipment, or component thereof, is to be picked up or delivered.

NOTE 3: Charges shall be based upon the actual weight of the article(s) for which flight or long carry service is provided.

NOTE 4: For shipments of goods described in paragraph 2 of this item the first flight inside a building or house shall consist of at least eight (8) steps. Additional flights shall be defined as the number of complete floors above or below the first flight. If an elevator is employed, it will be considered one flight.

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NOTE 5: For shipments of goods described in paragraph 2 of this item the first flight outside a building or house shall consist of 8 but not more than 20 steps. Steps less than 8 will not be considered a flight.

NOTE 6: Flight carry charges apply each time service is rendered.

SPLIT PICKUP

Split pickup service may be accorded subject to the following conditions.

1. The charge for the composite shipment shall be paid by a single debtor.

2. Maximum charges shall be computed as follows:

(a) Under hourly rates (Item 320), apply:

(1) The applicable rate for the total time consumed in loading at the point of origin of each component part and in unloading at point of destination,

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PLUS

(2) The applicable rate for double the driving time expended between each such point (see NOTE).

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SPLIT PICKUP (Concluded)

(b) Under distance rates (Items 300, 310, 380 and 390), apply:

- (1) The applicable rate for the total weight of the composite shipment to point of destination from the point of origin which produces the shortest distance via the other point or points of origin,

PLUS

- (2) An additional charge of not more than \$63.65 for each stop to load between first point of origin and point of destination.

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NOTE: Total time shall be converted into hours and/or fractions thereof in accordance with the provisions of Item 36.

SPLIT DELIVERY

Split delivery service may be accorded subject to the following conditions.

1. The charge for the composite shipment shall be paid by a single debtor.

2. Maximum charges shall be computed as follows:

(a) Under hourly rates (Item 320), apply:

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- (1) The applicable rate for the total time consumed in loading at point of origin and in unloading at point of destination of each component part,

PLUS

- (2) The applicable rate for double the driving time expended between each such point (see NOTE).

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SPLIT DELIVERY (Concluded)

(b) Under distance rates (Items 300, 310, 380 and 390), apply:

- (1) The applicable rate for the total weight of the composite shipment from point of origin to that point of destination which produces the shortest distance via the other point or points of destination,

PLUS

- (2) An additional charge of not more than \$63.65 for each stop to unload between point of origin and final point of destination.

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NOTE: Total time shall be converted into hours and/or fractions thereof in accordance with the provisions of Item 36.

SPLIT PICKUP AND SPLIT DELIVERY IN COMBINATION

(See Note 1.)

Split pickup and split delivery service may be accorded in combination subject to the following conditions.

1. The entire shipment must be picked up within a 24-hour period and shall be comprised of a minimum of four (4) component parts.

2. The charge for the composite shipment shall be paid by a single debtor.

3. Maximum charges shall be computed as follows:

(a) Under hourly rates (Item 320), apply:

- (1) The applicable rate for the total time consumed in loading at each point of origin and in unloading at each point of destination,

PLUS

- (2) The applicable rate for double the driving time expended between point of origin of any component part and point of destination of any component part via the remaining points of origin and destination.
(See Note 2.)

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SPLIT PICKUP AND SPLIT DELIVERY IN COMBINATION (Concluded)

(b) Under distance rates (Items 300 and 310), apply:

- (1) The applicable rate for the total weight of the composite shipment from the point of origin to the point of destination which produces the shortest distance via the remaining points of origin and destination,

PLUS

- (2) An additional charge of not more than \$63.65 for each stop to load or unload between first point of origin and final point of destination.

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NOTE 1: The provisions of this item shall not apply on shipments afforded storage-in-transit under the provisions of Item 160.

NOTE 2: Total time shall be converted into hours and/or fractions thereof in accordance with the provisions of Item 36.

STORAGE-IN-TRANSIT

(See Notes 1 and 2.)

1. At the request of consignor or consignee, a shipment may be accorded one-time storage-in-transit at a point between point of origin and point of destination for a period not to exceed 90 days from the date of unloading at storage point. (See Note 1.)

2. Maximum charges shall be computed on the following basis:

- (a) The applicable transportation rate (including transportation valuation, if any, as provided in Item 136) from initial point of origin to point of storage,

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PLUS

- (b) The applicable transportation rate (including transportation valuation, if any, as provided in Item 136) from point of storage to point of destination,

PLUS

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STORAGE-IN-TRANSIT (Concluded)

- (c) A one-time warehouse handling charge of up to either \$4.20 per 100 pounds on the stored weight or \$21.05, whichever is greater,

PLUS

- (d) A storage charge of up to either \$1.40 per 100 pounds on the stored weight or \$7.15, whichever is greater, for the first day, and up to \$0.10 per 100 pounds per day for each additional day the shipment remains in storage,

PLUS

- (e) The storage-in-transit valuation charge, if any, as provided in Item 136.

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NOTE 1: In the event a shipment remains in storage in excess of 90 days, the point of storage shall be considered the point of destination and thereafter, the shipment shall be subject to the rules, regulations and charges of the individual warehouseman. The subsequent transportation from point of storage to point of delivery shall be considered a separate shipment. In the event the ultimate destination of a shipment afforded storage-in-transit is not known at the time of pickup at point of origin, transportation from point of storage to point of delivery shall be considered a separate shipment, regardless of the duration of the storage provided.

NOTE 2: On shipments subject to hourly rates both into and out of point of storage-in-transit the weight of the shipment, for purposes of determining the warehouse handling and storage charges, may be estimated by multiplying the total cubic feet of storage space occupied by the shipment on the warehouse platform or in the warehouse by seven (7) pounds per cubic foot.

LIGHT AND BULKY ARTICLES

When a distance rated shipment includes bulky articles as named below, the following maximum loading and unloading charges or weight additive may be applied.

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LIGHT AND BULKY ARTICLES (Continued)

LOADING AND UNLOADING CHARGES include BOTH loading and unloading service and the handling and blocking of such article, and applies each time loading and unloading service is required, including shipments requiring storage-in-transit (except for carrier convenience).

	<u>PER</u>	<u>Maximum Rates</u> <u>(in dollars)</u>	
AUTOMOBILES, TRUCKS OR VANS including dune buggies and all terrain and specialty motor vehicles, which for the purpose of this item shall be classified as an automobile	Each	\$ 89.90	
MOTORCYCLES OF 250cc and over	Each	\$ 57.10	
TRACTORS AND RIDING MOWERS of 25 horsepower ...	Each	\$ 68.50	
TRACTORS AND RIDING MOWERS of less than 25 horsepower	Each	\$ 45.65	164 (Con- tin- ued)
SNOWMOBILES OR RIDING GOLF CARTS	Each	\$ 45.65	
BOATS, CANOES, SKIFFS, LIGHT ROWBOATS, KAYAKS, SAILBOATS AND BOAT TRAILERS (See weight additives below.)			
TRAILERS, including utility and pop-up trailers (for boat trailers, travel camper trailers and mini-mobile homes, see weight additives below)	Each	\$ 51.40	
CAMPERS, UNMOUNTED ON TRUCKS, designed for carriage on pickup trucks (for travel camper trailers and mini-mobile homes, see weight additives below)	Each	\$ 129.85	
CAMPERS, MOUNTED ON PICKUP TRUCKS (for travel camper trailers and mini-mobile homes, see weight additives below)	Each	\$ 129.85	
PIPE ORGANS, GRAND PIANOS, HARPSICORDS and all other types of PIANOS and ORGANS (any size) (excluding portable organs, pianos or harpsichords capable of being conveniently hand carried by one person).....	Each	\$ 58.10	

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LIGHT AND BULKY ARTICLES (Continued)

PLAYHOUSES, TOOL SHEDS, UTILITY SHEDS and including animal and bird shelters (transported set up, not dismantled) in excess of 100 cubic feet	PER	Maximum Rates (in dollars)
Each		\$ 85.60

HOT TUBS, SPAS, WHIRLPOOL BATHS AND JACUZZIS (transported set up, not dismantled) in excess of 100 cubic feet	Each	\$ 85.60
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SATELLITE TELEVISION OR RADIO RECEIVING DISCS OR DISHES, INCLUDING MOUNTS, STANDS AND ACCESSORIAL EQUIPMENT

Disc/Dish Outside Diameter

4 feet or less	Each	\$ 45.65
Over 4 feet but not over 8 feet	Each	\$ 68.50
Over 8 feet but not over 12 feet	Each	\$101.30
Over 12 feet	Each	\$158.40

WEIGHT ADDITIVES: When shipment includes travel camper trailers, mini-mobile homes (other than utility and pop-up trailers), airplanes, boats, light rowboats, kayaks, canoes, gliders (except hang gliders), skiffs, sailboats and/or boat trailers, the transportation charges will be based on the net scale weight of the shipment, plus a weight additive calculated in accordance with the table shown below:

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AIRPLANES OR GLIDERS (except hang gliders): 120 pounds per linear foot of total length of the fuselage.

BOATS 14 ft. and over in length: 115 pounds per linear foot.

BOAT TRAILERS any length: 75 pounds per linear foot.

CANOEES, SKIFFS, LIGHT ROWBOATS AND KAYAKS 14 ft. and over in length: 40 pounds per linear foot.

SAILBOATS 14 ft. and over in length: 125 pounds per linear foot.

TRAVEL CAMPER TRAILERS AND MINI-MOBILE HOMES (other than utility and pop-up trailers): 300 pounds per linear foot.

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LIGHT AND BULKY ARTICLES (Concluded)

NOTE 1: This weight additive WILL NOT APPLY to boats, canoes skiffs, light rowboats, kayaks or sailboats of less than 14 ft. in length, nor to dinghies or sculls any size.

NOTE 2: When shipment contains two or more articles subject to the weight additive, the total weight additives for that shipment will be the sum of the individual additives for each bulky article calculated separately.

NOTE 3: In determining lengths for the purpose of this item, all fractions of a foot will be disregarded.

NOTE 4: The length of boats, canoes, skiffs, light rowboats, kayaks or sailboats shall be determined by the straight center line distance between the top center point of the transom and a point perpendicular with the foremost part of the bow. Manufacturer's "length overall" or "center line length" shall apply as the correct length for the purposes of this item in lieu of physical measurement by carrier. 164 (Concluded)

NOTE 5: The length of boat trailers shall be the straight center line distance from a point equal to the rearmost part of the trailer to foremost part of the trailer tongue. Manufacturer's "length overall" shall apply as the correct length for the purposes of this item in lieu of physical measurement by carrier.

NOTE 6: The Light and Bulky Article Charge or the Weight Additive MAY APPLY for the following items, tendered either whole or in a disassembled or partially disassembled condition: automobiles, trucks, vans, dune buggies, all terrain and specialty motor vehicles, motorcycles, boats, canoes, skiffs, sailboats, boat trailers, tractors, riding mowers, snowmobiles, riding golf carts, trailers, campers, airplanes and gliders.

RIGGING, HOISTING OR LOWERING

When it is necessary to use rigging, hoisting or lowering services to accomplish pickup or delivery of a shipment, carrier shall perform such services at rates no higher than those provided in Item 320, subject to carrier's ability to furnish proper equipment and experienced personnel. 168

If requested by shipper, carrier shall act as shipper's agent to secure such services from a third party, if available. All charges of third persons must be paid by shipper and are in addition to all other charges named herein.

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DISASSEMBLING AND REASSEMBLING

Distance Rates in Items 300, 310, 330, 380 and 390 DO NOT include removing any outdoor articles embedded in the ground or secured to a building, nor the assembling or disassembling of any outdoor articles such as steel utility cabinets, swing sets, slides, sky rides, jungle gyms or other outdoor articles of similar nature, nor the assembling or disassembling of unusual articles found inside of buildings such as German schranks, water beds, steel shelving, pool tables, elongated work tables, counters, etc. Upon request of shipper, carrier will disassemble or reassemble such articles, subject to charges provided in Item 320. The shipper will be required to furnish, at the time of reassembling, any new hardware, nuts, bolts, etc., necessary to perform the service. 172

APPLIANCE SERVICING

1. Distance rates in Items 300, 310, 330, 380 and 390 DO NOT include the servicing or reservicing of articles or appliances including, but not limited to washing machines, refrigerators, deep freeze cabinets, air conditioners, grandfather clocks, radios, record players and television sets, which, if not properly serviced, may be damaged in or incident to transit. Carrier assumes no liability for such damage unless such articles are serviced as provided in Notes 1 and 2 of this item, or unless such damage is caused by negligence on the part of carrier.

2. Upon request of shipper, on shipments subject to distance rates specified in paragraph 1 of this item, carrier will service or reservice appliances or other articles subject to the rates specified in paragraph 3 below. (See Notes 1 and 2.) 176

3. The following maximum fixed rates shall apply for servicing or reservicing appliances, as specified by this item. (See Note 3.)

Servicing or Reservicing of Appliances:

	<u>TERRITORY</u>		
	<u>A</u>	<u>B</u>	<u>C</u>
First Item	\$11.05	\$ 9.80	\$ 8.50
Each Additional Item	7.30	6.40	5.65

NOTE 1: If carrier does not possess the qualified personnel to properly service and reservice such articles or appliances, carrier will upon request of, and as agent for shipper, engage third persons to perform the servicing and reservicing. All charges of

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APPLIANCE SERVICING (Concluded)

third persons must be paid by shipper, and are in addition to all other charges in this tariff. Such charges will be advanced by carrier, and billed as an Advanced Charge as provided in Item 180.

NOTE 2: Carrier reserves the right to inspect articles or appliances to determine whether they are in good working order before accepting them for shipment. Carrier assumes no liability whatsoever for the charges of third persons for the resynchronization of grandfather clocks including the pendulum or weights therefor which were disassembled at origin by carrier, or the retuning, refocusing or other adjustments of television sets unless such services were made necessary due to carrier's negligence.

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NOTE 3: The applicable rate shall be that for the territory where the service is provided. For description of territories see Item 210.

ADVANCED CHARGES

Charges advanced by carrier for services of others engaged at the request of shipper will be supported by carrier with a copy of invoice setting forth services rendered, charges and basis thereof, together with reference to applicable schedule or tariff if charges are assessed in accordance therewith. The advanced charges are in addition to and shall be collected with all other charges.

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SHUTTLE SERVICE

1. It is the responsibility of shipper to make the shipment accessible to carrier or accept delivery from carrier at a point at which the road haul vehicle may be safely operated.

2. When it is physically impossible for carrier to perform pickup of shipment at origin or to complete delivery of shipment at destination with normally assigned road haul equipment, due to the structure of the building, its inaccessibility by highway, inadequate or unsafe public or private road, overhead obstructions, narrow gates, sharp turns, trees, shrubbery, the deterioration of roadway due to rain, flood, snow, or nature of an article or articles included in the shipment, the carrier shall hold itself available at point of pickup or tender delivery at destination at nearest point of approach to desired location where road haul equipment can be made safely accessible.

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SHUTTLE SERVICE (Concluded)

3. Upon request of shipper, carrier will use or engage smaller equipment than its normal road haul equipment or provide extra labor to transfer the shipment between the origin or destination and nearest point of approach by the carrier's road haul equipment. Such service shall be provided at rates no higher than those in Item 320, and shall be in addition to all other transportation or accessorial charges. 184 (Concluded)

4. If shipper does not accept the shipment at nearest point of safe approach by carrier's road haul equipment to the destination, Item 96 (Inability to Make Delivery) shall apply.

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SECTION 2
REGIONS
AND
TERRITORIES

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APPLICATION OF REGIONAL AND TERRITORIAL DESCRIPTIONS

Descriptions of Regions and Territories in this section apply in connection with rates and regulations making reference thereto. Where the written description of a Region or Territory conflicts with the map descriptions of that same Region or Territory, the written description will govern. 200

DESCRIPTION OF TERRITORIES (See Map in Item 230)

TERRITORY A

The City and County of San Francisco and the Counties of Alameda, Contra Costa, Marin, Monterey, San Mateo, Santa Clara, Santa Cruz and Sonoma. 210

TERRITORY B

The Counties of Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura.

TERRITORY C

All counties in the state not included in Territories A and B.

DESCRIPTION OF REGIONS (See Map in Item 240)

REGION 1 consists of that area embraced by the following description and shall include all points within incorporated cities through which the boundaries pass and all points in unincorporated territory within one actual highway mile of the avenues, boulevards, highways, roads (not railroads) or streets named as boundary lines. 220

Beginning at a point where the northerly boundary of San Francisco County intersects U.S. Highway 101; northerly along U.S. Highway 101 to State Route 1; westerly along State Route 1 to Panoramic Highway; northerly along Panoramic Highway to Marin View Avenue; northerly along Marin View Avenue and its northerly prolongation to the city limits of Mill Valley; northerly and easterly along the city limits of Mill Valley to the city limits of Larkspur; northerly and easterly along the city limits of Larkspur

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DESCRIPTION OF REGIONS (Continued)

to Woodland Road (Kentfield); westerly and northerly along Woodland Road and its northerly prolongation to Goodhill Road; westerly and northerly along Goodhill Road and its northerly prolongation to the city limits of Ross City; westerly and northerly along the city limits of Ross City to the city limits of San Anselmo; northerly along the city limits of San Anselmo to the city limits of Fairfax; westerly, northerly and easterly along the city limits of Fairfax to Oak Manor Drive; northerly along Oak Manor Drive and its northerly prolongation to the city limits of Novato; northerly, easterly and westerly along the city limits of Novato to Atherton Avenue; easterly and southeasterly along Atherton Avenue to State Route 37; northeasterly along State Route 37 to Interstate Highway 80; northeasterly along Interstate Highway 80 to its intersection with the east levee of the Yolo Bypass; northerly along the east levee of the Yolo Bypass to Tule Lake Road (south levee of the Sacramento Bypass); easterly along Tule Lake Road (south levee of the Sacramento Bypass) and its easterly prolongation to the Sacramento River; northerly along the Sacramento River to the northwesterly boundary of Sacramento County; easterly and southerly along said boundary line to the northeasterly boundary of San Joaquin County; southerly along said boundary to the northeastern boundary of Stanislaus County; southeasterly along said boundary line to the northeastern boundary of Merced County; southeasterly along said boundary line to the northern boundary of Madera County; westerly along said boundary line to the main line of The Atchison, Topeka and Santa Fe Railway Co.; southerly along the main line of the The Atchison, Topeka and Santa Fe Railway Co. to the northern boundary of Fresno County; northeasterly along said boundary line to the Friant Kern Canal; southerly, westerly and easterly along the Friant Kern Canal to State Route 65 south of Strathmore; southerly along State Route 65 to Seventh Standard Road; easterly along Seventh Standard Road to the intersection of North Chester Avenue, then continuing due east along an imaginary line to point of intersection with the developed line of the northerly extension of Morning Drive; southerly along such developed extension and Morning Drive to State Route 58; southeasterly along State Route 58 to Neumarkel Road; southerly on Neumarkel Road to Panama Road; westerly along Panama Road to Rock Pile Road; southerly along Rock Pile Road to the intersection of Sunset Boulevard, then continuing due south along an imaginary line to Laval Road; westerly along Laval Road to State Route 99; southerly along State Route 99 to the city limits of Los Angeles; northeasterly along the city limits of Los Angeles to the boundary of the Angeles National Forest; easterly, southerly and northerly along the boundary of the

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DESCRIPTION OF REGIONS (Concluded)

Angeles National Forest to the boundary of the San Bernardino National Forest; easterly, northerly and southerly along the boundary of the San Bernardino National Forest and a prolongation thereof to Riverside Avenue; southeasterly along Riverside Avenue to State Route 30; easterly along State Route 30 to Interstate Highway 215; southwesterly and southeasterly along Interstate Highway 215 to State Route 215; southerly along State Route 215 to its intersection with Interstate Highway 15; southerly along Interstate Highway 15 to its intersection with State Route 76, thence southerly along an imaginary line to the intersection of Poway Road and State Route 67; southerly along State Route 67 to its intersection with Woodside Avenue; easterly along Woodside Avenue to its intersection with Maine Avenue; southerly along Maine Avenue to its intersection with Los Cochés Road; southeasterly along Los Cochés Road to Olde Highway 80; southwesterly along Olde Highway 80 to the city limits of El Cajon; southerly, easterly and westerly along the city limits of El Cajon to Avocado Boulevard; southerly along Avocado Boulevard to State Route 94; southeasterly along State Route 94 to Jamacha Boulevard; southwesterly along Jamacha Boulevard to Grand Avenue; southerly along Grand Avenue to Lakeview Avenue; southwesterly along Lakeview Avenue and a prolongation thereof to the Sweetwater River; southwesterly along the Sweetwater River to the city limits of Chula Vista; southerly, easterly and westerly along the city limits of Chula Vista to the city limits of San Diego; easterly and southerly along the city limits of San Diego to the International Boundary; westerly along the International Boundary to the shore line of the Pacific Ocean; thence along the shore line of the Pacific Ocean to point of beginning.

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REGION 2 consists of all of the State of California not included in Region 1.

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SECTION 3

RATES

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REGION 1 MAXIMUM FIXED DISTANCE RATES IN DOLLARS PER 100 POUND
 Rates named in this item apply subject to Item 16 (Application of Rates),
 and only to shipments transported between points located within Region 1.
 (See NOTES 1 through 6.)

MILES		BREAK		MINIMUM WEIGHT IN POUNDS								ITEM		
NOT OVER	ANY OVER	POINT	QTY	LBS	1000 B.P.	2000 B.P.	5000 B.P.	8000 B.P.	12000 B.P.	16000				
0	10	54.20	606	32.85	1,486	24.40	4,928	24.05	7,734	23.25	11,639	22.55	15,752	22.20
10	20	55.15	604	33.30	1,489	24.80	4,909	24.35	7,754	23.60	11,644	22.90	15,755	22.55
20	30	56.10	602	33.75	1,493	25.20	4,881	24.60	7,772	23.90	11,699	23.30	15,725	22.90
30	40	57.05	600	34.25	1,498	25.65	4,873	25.00	7,760	24.25	11,728	23.70	15,696	23.25
40	50	58.00	600	34.80	1,494	26.00	4,856	25.25	7,762	24.50	11,829	24.15	15,702	23.70
50	60	58.90	601	35.40	1,489	26.35	4,858	25.60	7,813	25.00	11,712	24.40	15,803	24.10
60	70	59.75	601	35.90	1,493	26.80	4,860	26.05	7,800	25.40	11,669	24.70	15,806	24.40
70	80	60.80	598	36.35	1,505	27.35	4,826	26.40	7,773	25.65	11,696	25.00	15,904	24.85
80	90	61.50	599	36.85	1,506	27.75	4,811	26.70	7,775	25.95	11,723	25.35	15,905	25.20
90	100	62.40	597	37.25	1,509	28.10	4,813	27.05	7,778	26.30	11,703	25.65	15,906	25.50
100	120	64.75	586	37.95	1,513	28.70	4,808	27.60	7,783	26.85	11,642	26.05	15,846	25.80
120	140	67.05	583	39.10	1,496	29.25	4,838	28.30	7,731	27.35	11,627	26.50	15,819	26.20
140	160	69.40	573	39.75	1,499	29.80	4,815	28.70	7,749	27.80	11,612	26.90	15,822	26.60
160	180	71.70	565	40.50	1,499	30.35	4,811	29.20	7,767	28.35	11,556	27.30	15,795	26.95
180	200	74.00	559	41.40	1,486	30.75	4,805	29.55	7,783	28.75	11,520	27.60	15,855	27.35
200	225	76.95	550	42.35	1,490	31.55	4,746	29.95	7,813	29.25	11,446	27.90	15,885	27.70
225	250	79.30	544	43.15	1,488	32.10	4,735	30.40	7,855	29.85	11,397	28.35	15,802	28.00
250	275	80.60	547	44.00	1,484	32.65	4,740	30.95	7,871	30.45	11,330	28.75	15,833	28.45
275	300	81.55	548	44.70	1,485	33.20	4,744	31.50	7,848	30.90	11,398	29.35	15,782	28.95
300	325	82.70	555	45.90	1,464	33.60	4,754	31.95	7,850	31.35	11,426	29.85	15,678	29.25
325	350	83.65	556	46.50	1,477	34.35	4,760	32.70	7,804	31.90	11,473	30.50	15,607	29.75
350	375	84.95	556	47.20	1,489	35.15	4,716	33.15	7,867	32.60	11,521	31.30	15,514	30.35
375	400	85.95	561	48.25	1,488	35.90	4,728	33.95	7,764	32.95	11,618	31.90	15,569	31.00
400	425	86.90	565	49.10	1,501	36.85	4,695	34.60	7,803	33.75	11,591	32.60	15,558	31.70
425	450	87.95	566	49.80	1,520	37.85	4,690	35.50	7,842	34.80	11,586	33.60	15,476	32.50
450	475	88.75	568	50.45	1,536	38.75	4,703	36.45	7,846	35.75	11,648	34.70	15,378	33.35
475	500	89.75	573	51.40	1,553	39.90	4,749	37.90	7,726	36.60	11,738	35.80	15,307	34.25
500	550	90.75	584	53.00	1,566	41.50	4,795	39.80	7,648	38.05	11,779	37.35	15,379	35.90
550	600	91.80	592	54.35	1,569	42.65	4,836	41.25	7,612	39.25	11,755	38.45	15,501	37.25
600	650	92.90	597	55.50	1,573	43.65	4,851	42.35	7,603	40.25	11,687	39.20	15,531	38.05
650	700	93.80	602	56.50	1,579	44.60	4,854	43.30	7,621	41.25	11,636	40.00	15,520	38.80
700	750	94.65	606	57.40	1,585	45.50	4,857	44.20	7,620	42.10	11,644	40.85	15,530	39.65
750	800	95.65	611	58.40	1,592	46.50	4,860	45.20	7,602	42.95	11,623	41.60	15,558	40.45
800	850	96.60	614	59.30	1,599	47.40	4,863	46.10	7,601	43.80	11,603	42.35	15,566	41.20
850	...													
ADD	1.05			0.95		0.95		0.95		0.90		0.80		0.80
FOR EACH 50 MILES OR FRACTION THEREOF OVER 850 MILES														

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

REGION 1 MAXIMUM DISTANCE RATES (Concluded)

NOTE 1: When shipment charges based on actual weight exceed those based on a greater minimum weight, the latter shall apply. Break Point indicates the weight at which a lower charge results by using the minimum weight and applicable rate at next higher minimum weight bracket.

NOTE 2: For computation of distances, see Item 40.

NOTE 3: Additional charges for bridge or ferry tolls shall not be assessed on shipments transported at the rates contained in this item.

NOTE 4: When carrier's vehicle is held for the convenience of shipper or consignee through no fault of carrier in connection with shipments moving or to be moved under this item, one hour free time shall be allowed. A charge at the hourly rates contained in Item 320 will be assessed for each hour, or fraction thereof, in excess of the one hour free time period.

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NOTE 5: For descriptions of Regions, see Item 220.

NOTE 6: Rates named in this item apply in connection with shipments accorded split pickup, split delivery and both split pickup and split delivery only when points of origin and destination of all component parts of such shipments are located within Region 1. Rates named in Item 310 apply to shipments afforded split pickup, split delivery and both split pickup and split delivery when excluded from the provisions of this item.

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

REGION 2 MAXIMUM FIXED DISTANCE RATES IN DOLLARS PER 100 POUNDS
 Rates named in this item apply subject to Item 16 (Application of Rates),
 and only to shipments transported between points located within Region 2,
 or between points located in Region 1, on the one hand, and points located
 in Region 2, on the other hand. (See NOTES 1 through 6).

MILES		BREAK ANY POINT	MINIMUM WEIGHT IN POUNDS								ITEM
NOT OVER	ANY QTY		LBS	1000 B.P.	2000 B.P.	5000 B.P.	8000 B.P.	12000 B.P.	16000		
0	10	54.20	606	32.85 1,489	24.45 4,918	24.05 7,734	23.25 11,639	22.55 15,752	22.20		
10	20	55.15	604	33.30 1,489	24.80 4,909	24.35 7,754	23.60 11,644	22.90 15,755	22.55		
20	30	56.10	602	33.75 1,493	25.20 4,881	24.60 7,772	23.90 11,699	23.30 15,725	22.90		
30	40	57.05	600	34.25 1,498	25.65 4,873	25.00 7,760	24.25 11,728	23.70 15,696	23.25		
40	50	58.00	600	34.80 1,494	26.00 4,856	25.25 7,762	24.50 11,829	24.15 15,702	23.70		
50	60	59.05	603	35.60 1,489	26.50 4,877	25.85 7,737	25.00 11,856	24.70 15,611	24.10		
60	70	60.05	604	36.25 1,506	27.30 4,835	26.40 7,712	25.45 11,906	25.25 15,620	24.65		
70	80	61.00	607	37.00 1,503	27.80 4,847	26.95 7,703	25.95 11,861	25.65 15,626	25.05		
80	90	61.95	605	37.50 1,515	28.40 4,833	27.45 7,752	26.60 11,774	26.10 15,663	25.55		
90	100	63.00	605	38.10 1,517	28.90 4,818	27.85 7,785	27.10 11,734	26.50 15,698	26.00		
100	120	66.10	592	39.10 1,517	29.65 4,789	28.40 7,859	27.90 11,634	27.05 15,763	26.65		
120	140	68.85	582	40.05 1,521	30.45 4,778	29.10 7,821	28.45 11,641	27.60 15,768	27.20		
140	160	71.25	575	41.00 1,520	31.15 4,783	29.80 7,826	29.15 11,568	28.10 15,744	27.65		
160	180	74.00	566	41.90 1,520	31.85 4,765	30.35 7,789	29.55 11,635	28.65 15,749	28.20		
180	200	76.45	559	42.75 1,520	32.50 4,754	30.90 7,806	30.15 11,622	29.20 15,753	28.75		
200	225	79.10	558	44.10 1,510	33.30 4,745	31.60 7,810	30.85 11,592	29.80 15,678	29.20		
225	250	81.70	551	45.00 1,507	33.90 4,764	32.30 7,827	31.60 11,582	30.50 15,633	29.80		
250	275	83.10	554	46.00 1,509	34.70 4,762	33.05 7,843	32.40 11,537	31.15 15,640	30.45	310	
275	300	84.15	558	46.95 1,512	35.50 4,775	33.90 7,823	33.15 11,529	31.85 15,648	31.15		
300	325	85.20	562	47.85 1,515	36.25 4,786	34.70 7,804	33.85 11,521	32.50 15,828	32.15		
325	350	86.30	574	49.55 1,512	37.45 4,773	35.75 7,787	34.80 11,638	33.75 15,668	33.05		
350	375	88.25	575	50.70 1,513	38.35 4,791	36.75 7,782	35.75 11,631	34.65 15,631	33.85		
375	400	89.20	577	51.45 1,522	39.15 4,770	37.35 7,818	36.50 11,622	35.35 15,615	34.50		
400	425	89.90	578	52.00 1,531	39.80 4,780	38.05 7,790	37.05 11,644	35.95 15,644	35.15		
425	450	90.65	580	52.60 1,538	40.45 4,796	38.80 7,773	37.70 11,618	36.50 15,649	35.70		
450	475	91.30	582	53.10 1,542	40.95 4,799	39.30 7,807	38.35 11,609	37.10 15,655	36.30		
475	500	92.00	582	53.50 1,546	41.35 4,831	39.95 7,800	38.95 11,584	37.60 15,660	36.80		
500	550	92.65	584	54.15 1,566	42.40 4,847	41.10 7,727	39.70 11,652	38.55 15,647	37.70		
550	600	93.45	589	55.00 1,576	43.35 4,856	42.10 7,696	40.50 11,644	39.30 15,674	38.50		
600	650	94.15	593	55.80 1,579	44.05 4,852	42.75 7,747	41.40 11,580	39.95 15,740	39.30		
650	700	94.65	598	56.60 1,581	44.75 4,855	43.45 7,705	41.85 11,627	40.55 15,665	39.70		
700	750	95.35	606	57.75 1,569	45.30 4,884	44.25 7,675	42.45 11,618	41.10 15,630	40.15		
750	800	96.15	608	58.45 1,593	46.55 4,860	45.25 7,602	43.00 11,623	41.65 15,558	40.50		
800	850	97.30	610	59.40 1,599	47.50 4,863	46.20 7,593	43.85 11,617	42.45 15,548	41.25		
850	---										
ADD	1.05		0.95	0.95	0.95	0.95	0.90	0.80	0.80		
FOR EACH 50 MILES OR FRACTION THEREOF OVER 850 MILES											

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

REGION 2 MAXIMUM DISTANCE RATES (Concluded)

NOTE 1: When shipment charges based on actual weight exceed those based on a greater minimum weight, the latter shall apply. Break Point indicates the weight at which a lower charge results by using the minimum weight and applicable rate at next higher minimum weight bracket.

NOTE 2: For computation of distances, see Item 40.

NOTE 3: Additional charges for bridge or ferry tolls shall not be assessed on shipments transported at the rates contained in this item.

NOTE 4: When carrier's vehicle is held for the convenience of shipper or consignee through no fault of carrier in connection with shipments moving or to be moved under this item, one hour free time shall be allowed. A charge at the hourly rates contained in Item 320 will be assessed for each hour, or fraction thereof, in excess of the one hour free time period.

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NOTE 5: For descriptions of Regions, see Item 220.

NOTE 6: Rates named in this item apply in connection with shipments accorded split pickup, split delivery and both split pickup and split delivery only when points of origin and destination of all component parts of such shipments are located within Region 2, or between points located in Region 1, on the one hand, and points located in Region 2, on the other hand. Rates named in Item 300 apply to shipments afforded split pickup, split delivery and both split pickup and split delivery when excluded from the provisions of this item.

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

MAXIMUM FIXED RATES IN DOLLARS PER HOUR

(See Notes 1 through 5).

Rates named in this item apply for shipments transported for distances of 100 constructive miles or less, subject to Item 16 (Application of Rates).

		TERRITORY (See Note 4).		
		A	B	C
1. STRAIGHT TIME				
Unit of equipment, plus:				
(a)	one person (driver)	\$70.70	\$67.65	\$58.10
(b)	two persons (driver and helper) ..	\$110.60	\$102.05	\$88.60
(c)	additional persons, in excess of two, per person	\$39.90	\$34.40	\$30.55
2. TIME-AND-A-HALF (See Note 5.)				
Unit of equipment, plus:				
(a)	one person (driver)	\$91.70	\$86.00	\$74.00
(b)	two persons (driver and helper)	\$149.75	\$135.90	\$118.45
(c)	additional persons, in excess of two, per person	\$58.10	\$49.95	\$44.45
3. DOUBLE TIME (See Note 5.)				
Unit of equipment, plus:				
(a)	one person (driver)	\$112.60	\$104.30	\$89.85
(b)	two persons (driver and helper)	\$188.95	\$169.75	\$148.20
(c)	additional persons, in excess of two, per person	\$76.35	\$65.45	\$58.35

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EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

MAXIMUM FIXED RATES IN DOLLARS PER HOUR (Concluded)

NOTE 1: The highest rated territory in or through which the shipment or any component thereof is transported, shall determine the applicable maximum hourly rate for such shipment.

NOTE 2: Actual bridge and ferry tolls may be added to charges based on rates contained in this item when such toll charges are incurred by the carrier. When two or more shipments are transported under the provisions of this item at the same time on one unit of equipment, the incurred toll charges shall be equally divided between each shipment.

NOTE 3: For computation of time, see Item 36.

NOTE 4: For description of territories, see Item 210.

NOTE 5: Overtime rates may be assessed subject to the maximum rates in paragraphs 2 and 3 of this item when shipper requests service at a time when carrier must pay its relevant employees overtime in accordance with Industrial Welfare Commission Wage Order 9-90.

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EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

MAXIMUM FIXED RATES IN DOLLARS PER PIECE

(See Notes 1 through 5.)

Rates named in this item apply for shipments of not more than 5 pieces transported for distances of 50 constructive miles or less, subject to Item 16 (Application of Rates).

<u>Miles</u>	<u>First Piece</u>	<u>Each Additional Piece</u>
Not over 10 -----	\$47.95 -----	\$16.35
Over 10, but not over 20 --	\$89.20 -----	\$16.35
Over 20 -----	\$124.60 -----	\$16.35

NOTE 1: PIECE means each household, office or institutional article tendered in assembled form; or, in the alternative, tendered in disassembled form but secured in a manner allowing the article to be handled as a unit. 330

NOTE 2: For computation of distances, see Item 40.

NOTE 3: Additional charges for bridge or ferry tolls shall not be assessed on shipments transported at the rates contained in this item.

NOTE 4: Rates in this item will not apply to shipments afforded split pickup and/or split delivery nor to shipments afforded storage-in-transit.

NOTE 5: Rates in this item will not apply to pianos and organs not conveniently hand carried by one person. Refer to Item 164 (Light and Bulky Articles) for rates for pipe organs, grand pianos, harpsichords and all other types of pianos and organs.

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

MAXIMUM FIXED RATES
FOR PACKING/UNPACKING AND CONTAINERS

(See Notes 1 through 10.)

1. RATES PER CONTAINER (IN DOLLARS PER UNIT)	PER	CONTAINER	PACKING CHARGES			UNPACKING CHARGES		
		RATES	TERRITORY			TERRITORY		
		(See Note 9)	A	B	C	A	B	C
DRUM, DISH-PACK (Drum, dish-pack, barrel or other specially designed containers of not less than 5 cubic ft. capacity for use in packing glassware, chinaware, bric-a-brac, table lamps or similar fragile articles)	Each	13.70	23.90	21.05	18.20	5.30	4.65	4.05
CARTONS:								
Less than 3 cu.ft. (Not less than 200 lb. test)	Each	2.90	5.55	4.90	4.30	1.20	1.05	0.95
3 cu.ft. (Not less than 200 lb. test)	Each	4.20	7.40	6.55	5.70	2.15	1.85	1.65
4-1/2 cu.ft. (Not less than 200 lb. test)	Each	5.00	8.55	7.55	6.50	2.00	1.80	1.50
6 cu.ft. (Not less than 200 lb. test)	Each	5.80	9.65	8.40	7.35	2.05	1.85	1.55
6-1/2 cu.ft. (Not less than 275 lb. test)	Each	6.30	10.25	9.05	7.85	2.05	1.85	1.55
WARDROBE CARTON not less than 10 cu.ft. (See Note 8)	Each	10.75	8.55	7.55	6.55	1.35	1.20	1.00
MATTRESS CARTON:								
Crib	Each	3.95	1.15	1.00	0.85	0.30	0.20	0.20
Not Over 39" x 75"	Each	7.10	1.50	1.30	1.15	0.50	0.45	0.35
39" x 80"	Each	10.05	2.05	1.80	1.55	0.65	0.55	0.50
Not Over 54" x 75"	Each	8.80	2.45	2.15	1.85	0.80	0.65	0.55
Over 54" x 75"	Each	14.50	4.90	4.35	3.80	1.45	1.30	1.05
MATTRESS COVER (Paper or Plastic)	Each	5.15	1.30	1.15	1.00	0.45	0.35	0.30
CORRUGATED CONTAINERS (Specially designed or constructed for mirrors, paintings, glass or marble tops and similar fragile articles)								
Each	Each	11.10	8.80	7.70	6.65	1.85	1.65	1.45
CRATES (Other than corrugated, specially constructed for mirrors, paintings, glass or marble tops and similar fragile articles) gross measurement of crate								
[Cu.Ft. or Fraction] (See Note 7)	[Thereof]		9.65	8.50	7.35	1.30	1.15	1.00

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EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

**MAXIMUM FIXED RATES
FOR PACKING/UNPACKING AND CONTAINERS (Continued)**

2. RATES PER HOUR

(See Notes 1 through 5.)

	TERRITORY		
	A	B	C
Packing and Unpacking			
(a) STRAIGHT TIME -----	\$44.40	\$39.05	\$33.80
(b) TIME-AND-A-HALF -----	\$65.35	\$57.35	\$49.75
(c) DOUBLE TIME -----	\$86.25	\$75.70	\$65.55

NOTE 1: Rates do not include separate pickup and/or delivery of shipping containers and packing materials provided.

NOTE 2: For description of territories, see Item 210.

NOTE 3: The applicable rate shall be the rate for the territory in which the service is provided.

NOTE 4: Rates in Paragraph 2 of this item apply for packing or unpacking or both, and may be used in lieu of rates in paragraph 1 (Rates per Container) if carrier and shipper agree to such application before the service commences, subject to Items 28 and 128. The Agreement for Service shall determine the applicable maximum rate for the service.

NOTE 5: Overtime rates may be assessed subject to the maximum rates in paragraphs 2(b) and 2(c) of this item when shipper requests service at a time when carrier must pay its relevant employees overtime in accordance with Industrial Welfare Commission Wage Order 9-90.

NOTE 6: Container charges in paragraph 1 include all materials used in the packing and sealing of the container indicated. No additional charge shall be made for such materials including dividers, paper, tape and labels.

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(Continued)

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

**MAXIMUM FIXED RATES
FOR PACKING/UNPACKING AND CONTAINERS (Concluded)**

NOTE 7: The maximum rates in paragraph 1 include packing and construction of such containers.

NOTE 8: No charge will be assessed for wardrobes on shipments transported at the rates provided in Item 320.

NOTE 9: Packing container rates do not include sales tax. Carrier shall assess an additional charge at the local rate, where applicable.

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NOTE 10: Overtime rates for work performed at rates in paragraph 1 (Rates per Container) may be assessed when shipper requests service at a time when carrier must pay its relevant employees overtime in accordance with Industrial Welfare Commission Wage Order 9-90. To calculate a maximum rate for overtime, multiply the rate in paragraph 1 by the appropriate factor:

- a) 1.47 for time-and-a-half;
- b) 1.94 for double time.

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

REGION 1 MAXIMUM DISTANCE RATES TO OR FROM STORAGE IN DOLLARS PER 100 POUNDS
 Rates named in this item apply subject to Item 16 (Application of Rates), and only to
 shipments transported between points located within Region 1. (See NOTES 1 through 7.)

MILES NOT OVER	MILES OVER	BREAK ANY POINT QTY	BREAK LBS	MINIMUM WEIGHT IN POUNDS								ITEM
				1000 B.P.	2000 B.P.	5000 B.P.	8000 B.P.	12000 B.P.	16000			
0	10	54.20	577	31.25 1,488	23.25 4,903	22.80 7,772	22.15 11,729	21.65 15,741	21.30			
10	20	55.15	574	31.65 1,491	23.60 4,894	23.10 7,792	22.50 11,733	22.00 15,709	21.60			
20	30	56.10	572	32.10 1,495	24.00 4,865	23.55 7,794	22.75 11,789	22.35 15,714	21.95			
30	40	57.05	571	32.55 1,499	24.40 4,867	23.75 7,781	23.10 11,818	22.75 15,684	22.30			
40	50	58.00	571	33.10 1,495	24.75 4,848	24.00 7,767	23.30 11,923	23.15 15,724	22.75			
50	60	58.90	571	33.65 1,489	25.05 4,850	24.30 7,819	23.75 11,823	23.40 15,795	23.10			
60	70	59.75	571	34.10 1,493	25.45 4,862	24.75 7,806	24.15 11,776	23.70 15,797	23.40			
70	80	60.80	568	34.55 1,505	26.00 4,827	25.10 7,761	24.35 11,828	24.00 15,900	23.85			
80	90	61.50	569	35.00 1,506	26.35 4,810	25.35 7,779	24.65 11,830	24.30 15,901	24.15			
90	100	62.40	567	35.40 1,508	26.70 4,813	25.70 7,767	24.95 11,832	24.60 15,902	24.45			
100	120	64.75	558	36.10 1,510	27.25 4,817	26.25 7,771	25.50 11,765	25.00 15,840	24.75			
120	140	67.05	555	37.20 1,495	27.80 4,847	26.95 7,718	26.00 11,746	25.45 15,811	25.15			
140	160	69.40	545	37.85 1,498	28.35 4,824	27.35 7,737	26.45 11,705	25.80 15,814	25.50			
160	180	71.70	538	38.60 1,497	28.90 4,818	27.85 7,756	27.00 11,644	26.20 15,786	25.85			
180	200	74.00	534	39.50 1,484	29.30 4,812	28.20 7,773	27.40 11,606	26.50 15,849	26.25			
200	225	76.95	526	40.45 1,488	30.10 4,751	28.60 7,804	27.90 11,527	26.80 15,881	26.60			
225	250	79.30	520	41.25 1,484	30.60 4,747	29.05 7,849	28.50 11,474	27.25 15,794	26.90			
250	275	80.40	523	42.05 1,482	31.15 4,751	29.60 7,865	29.10 11,402	27.65 15,855	27.40	380		
275	300	81.55	525	42.80 1,481	31.70 4,756	30.15 7,841	29.55 11,492	28.30 15,830	28.00			
300	325	82.70	531	43.95 1,458	32.05 4,774	30.60 7,843	30.00 11,520	28.80 15,750	28.35			
325	350	83.65	533	44.55 1,473	32.80 4,779	31.35 7,796	30.55 11,588	29.50 15,702	28.95			
350	375	84.95	533	45.30 1,481	33.55 4,739	31.80 7,862	31.25 11,635	30.30 15,630	29.60			
375	400	85.95	539	46.35 1,478	34.25 4,759	32.60 7,755	31.60 11,753	30.95 15,690	30.35			
400	425	86.90	543	47.15 1,493	35.20 4,723	33.25 7,795	32.40 11,685	31.55 15,746	31.05			
425	450	87.95	543	47.80 1,515	36.20 4,710	34.10 7,836	33.40 11,659	32.45 15,680	31.80			
450	475	88.75	546	48.45 1,531	37.10 4,717	35.00 7,851	34.35 11,668	33.40 15,641	32.65			
475	500	89.75	550	49.35 1,550	38.25 4,758	36.40 7,725	35.15 11,744	34.40 15,605	33.55			
500	550	90.75	561	50.90 1,564	39.80 4,805	38.25 7,644	36.55 11,754	35.80 15,732	35.20			
550	600	91.80	569	52.20 1,569	40.95 4,841	39.65 7,607	37.70 11,698	36.75 15,891	36.50			
600	650	92.90	574	53.30 1,574	41.95 4,851	40.70 7,607	38.70 11,581	37.35 15,979	37.30			
650	700	93.80	579	54.30 1,582	42.95 4,843	41.60 7,625	39.65 11,501	38.00 16,021	38.05			
700	750	94.65	583	55.15 1,590	43.85 4,840	42.45 7,623	40.45 11,481	38.70 16,083	38.90			
750	800	95.65	587	56.15 1,598	44.85 4,838	43.40 7,613	41.30 11,419	39.30 16,163	39.70			
800	850	96.60	590	57.00 1,607	45.80 4,836	44.30 7,603	42.10 11,373	39.90 16,221	40.45			
850	---											
ADD		1.05		0.90	0.90	0.90	0.85	0.75	0.75			
FOR EACH 50 MILES OR FRACTION THEREOF OVER 850 MILES												

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

REGION 1 MAXIMUM DISTANCE RATES
TO OR FROM STORAGE (Concluded)

NOTE 1: When shipment charges based on actual weight exceed those based on a greater minimum weight, the latter shall apply. Break Point indicates the weight at which a lower charge results by using the minimum weight and applicable rate at next higher minimum weight bracket.

NOTE 2: For computation of distances, see Item 40.

NOTE 3: Additional charges for bridge or ferry tolls shall not be assessed on shipments transported at the rates contained in this item.

NOTE 4: When carrier's vehicle is held for the convenience of shipper or consignee through no fault of carrier in connection with shipments moving or to be moved under this item, one hour free time shall be allowed. A charge at the hourly rates contained in Item 320 will be assessed for each hour, or fraction thereof, in excess of the one hour free time period.

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NOTE 5: For descriptions of Regions, see Item 220.

NOTE 6: Rates named in this item apply in connection with shipments accorded split pickup, split delivery and both split pickup and split delivery only when points of origin and destination of all component parts of such shipments are located within Region 1. Rates named in Item 390 apply to shipments afforded split pickup, split delivery and both split pickup and split delivery when excluded from the provisions of this item.

NOTE 7: Rates in this item do not apply to shipments afforded split pickup and split delivery in combination.

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

REGION 2 MAXIMUM DISTANCE RATES TO OR FROM STORAGE IN DOLLARS PER 100 POUNDS
 Rates named in this item apply subject to Item 16 (Application of Rates), and only to shipments transported between points located within Region 2, or between points located in Region 1, on the one hand, and points located in Region 2, on the other hand. (See NOTES 1 through 7).

MILES NOT OVER	MILES OVER	BREAK ANY POINT QTY	BREAK LBS	MINIMUM WEIGHT IN POUNDS								ITEM			
				1000	B.P.	2000	B.P.	5000	B.P.	8000	B.P.		12000	B.P.	16000
0	10	54.20	577	31.30	1,486	23.25	4,860	22.60	7,681	21.70	11,862	21.45	15,515	20.80	
10	20	55.15	575	31.70	1,489	23.60	4,862	22.95	7,704	22.10	11,837	21.80	15,596	21.25	
20	30	56.10	572	32.10	1,492	23.95	4,854	23.25	7,742	22.50	11,867	22.25	15,604	21.70	
30	40	57.05	571	32.55	1,499	24.40	4,846	23.65	7,763	22.95	11,869	22.70	15,612	22.15	
40	50	58.00	571	33.10	1,495	24.75	4,848	24.00	7,767	23.30	11,923	23.15	15,724	22.75	
50	60	59.05	573	33.85	1,489	25.20	4,881	24.60	7,756	23.85	11,950	23.75	15,629	23.20	
60	70	60.05	574	34.45	1,507	25.95	4,855	25.20	7,746	24.40	11,975	24.35	15,671	23.85	
70	80	61.00	576	35.15	1,505	26.45	4,868	25.75	7,751	24.95	11,904	24.75	15,741	24.35	
80	90	61.95	575	35.60	1,517	27.00	4,870	26.30	7,817	25.70	11,790	25.25	15,810	24.95	
90	100	63.00	574	36.15	1,521	27.50	4,864	26.75	7,865	26.30	11,726	25.70	15,875	25.50	
100	120	66.10	561	37.10	1,523	28.25	4,832	27.30	7,927	27.05	11,623	26.20	15,939	26.10	
120	140	68.85	553	38.05	1,527	29.05	4,819	28.00	7,886	27.60	11,630	26.75	15,940	26.65	
140	160	71.25	547	38.95	1,528	29.75	4,832	28.75	7,861	28.25	11,575	27.25	15,883	27.05	
160	180	74.00	538	39.80	1,530	30.45	4,811	29.30	7,823	28.65	11,644	27.80	15,885	27.60	
180	200	76.45	531	40.60	1,534	31.15	4,799	29.90	7,826	29.25	11,631	28.35	15,887	28.15	
200	225	79.10	530	41.90	1,525	31.95	4,789	30.60	7,817	29.90	11,619	28.95	15,779	28.55	
225	250	81.70	524	42.80	1,521	32.55	4,816	31.35	7,821	30.65	11,589	29.60	15,757	29.15	
250	275	83.10	526	43.75	1,525	33.35	4,805	32.05	7,850	31.45	11,542	30.25	15,762	29.80	390
275	300	84.15	531	44.70	1,526	34.10	4,824	32.90	7,842	32.25	11,498	30.90	15,767	30.45	
300	325	85.20	535	45.55	1,528	34.80	4,835	33.65	7,845	33.00	11,473	31.55	15,949	31.45	
325	350	86.30	547	47.20	1,523	35.95	4,826	34.70	7,839	34.00	11,559	32.75	15,805	32.35	
350	375	88.25	548	48.35	1,524	36.85	4,837	35.65	7,843	34.95	11,554	33.65	15,738	33.10	
375	400	89.20	550	49.10	1,532	37.60	4,820	36.25	7,890	35.75	11,513	34.30	15,743	33.75	
400	425	89.90	552	49.60	1,540	38.20	4,830	36.90	7,870	36.30	11,537	34.90	15,771	34.40	
425	450	90.65	554	50.20	1,548	38.85	4,846	37.65	7,851	36.95	11,513	35.45	15,774	34.95	
450	475	91.30	555	50.70	1,550	39.30	4,854	38.15	7,885	37.60	11,489	36.00	15,800	35.55	
475	500	92.00	555	51.10	1,554	39.70	4,880	38.75	7,876	38.15	11,481	36.50	15,803	36.05	
500	550	92.65	559	51.75	1,573	40.70	4,902	39.90	7,799	38.90	11,537	37.40	15,807	36.95	
550	600	93.45	562	52.55	1,583	41.60	4,910	40.85	7,775	39.70	11,516	38.10	15,853	37.75	
600	650	94.15	567	53.35	1,584	42.25	4,911	41.50	7,827	40.60	11,453	38.75	15,917	38.55	
650	700	94.65	572	54.15	1,584	42.90	4,913	42.15	7,782	41.00	11,517	39.35	15,858	39.00	
700	750	95.35	579	55.25	1,571	43.40	4,948	42.95	7,749	41.60	11,495	39.85	15,839	39.45	
750	800	96.15	582	55.95	1,594	44.60	4,922	43.90	7,681	42.15	11,502	40.40	15,762	39.80	
800	850	97.30	585	56.90	1,599	45.50	4,923	44.80	7,679	43.00	11,484	41.15	15,767	40.55	
850	---														
ADD				1.05	0.90	0.90	0.90	0.90	0.85	0.75	0.80				
FOR EACH 50 MILES OR FRACTION THEREOF OVER 850 MILES															

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

REGION 2 MAXIMUM DISTANCE RATES
TO OR FROM STORAGE (Concluded)

NOTE 1: When shipment charges based on actual weight exceed those based on a greater minimum weight, the latter shall apply. Break Point indicates the weight at which a lower charge results by using the minimum weight and applicable rate at next higher minimum weight bracket.

NOTE 2: For computation of distances, see Item 40.

NOTE 3: Additional charges for bridge or ferry tolls shall not be assessed on shipments transported at the rates contained in this item.

NOTE 4: When carrier's vehicle is held for the convenience of shipper or consignee through no fault of carrier in connection with shipments moving or to be moved under this item, one hour free time shall be allowed. A charge at the hourly rates contained in Item 320 will be assessed for each hour, or fraction thereof, in excess of the one hour free time period.

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NOTE 5: For descriptions of Regions, see Item 220.

NOTE 6: Rates named in this item apply in connection with shipments accorded split pickup, split delivery and both split pickup and split delivery only when points of origin and destination of all component parts of such shipments are located within Region 2, or between points located in Region 1, on the one hand, and points located in Region 2, on the other hand. Rates named in Item 380 apply to shipments afforded split pickup, split delivery and both split pickup and split delivery when excluded from the provisions of this item.

NOTE 7: Rates in this item do not apply to shipments afforded split pickup and split delivery in combination.

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

MAXIMUM RATE TARIFF 4

ORIGINAL PAGE...71

SECTION 4

FORMS OF DOCUMENTS

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

This Is Not a Contract

BASIS FOR CARRIER'S ESTIMATED COST OF SERVICES

NAME OF CARRIER
 NUMBER OF CARRIER
 ADDRESS OF CARRIER
 TELEPHONE NUMBER OF CARRIER

NAME _____ PHONE NO. _____ DATE _____

MOVING FROM _____ MOVING TO _____

SERVICES REQUESTED: Distance Move Hourly Move Piece Move

SERVICE	SR	SNR	CNK	SERVICE	SR	SNR	CNK
Additional helpers (No.)				Overtime packing labor			
Appliance servicing				SIT monthly storage charge			
Elevator at origin				SIT moving into warehouse			
Elevator at destination				SIT moving out of warehouse			
Flights at origin (No.)				SIT warehouse handling			
Flights at destination (No.)				SIT warehouse wrapping or fumigating			
Hoisting or lowering at origin				Shuttle service at origin			
Hoisting or lowering at destination				Shuttle service at destination			
Long carry at origin (No.)				Disassembly of items			
Long carry at destination (No.)				Assembly of items			
Split delivery				Van & 1 person			
Split pickup				Van & 2 persons			
Packing material delivery/pickup				Overtime or Premium Labor			
Packing material				Expedited Service			
Packing labor: Hourly By Unit				Bulky Article(s) (No.)			
Unpacking labor: Hourly By Unit				Additional Equipment Required			

400

Shipment is valued at actual cash value up to \$20,000, or as declared by the shipper.

Shipment Valuation \$ _____

TRANSPORTATION VALUATION OPTIONS:

60 cents/lb/article no additional charge
 Actual Cash Value \$ _____ per \$100 of declared value
 Full Value* \$ _____ per \$100 of declared value

STORAGE-IN-TRANSIT VALUATION OPTIONS

Actual Cash Value \$ _____ per \$100 of declared value
 Full Value \$ _____ per \$100 of declared value

* Deductible options may be available under Full Value protection.

SR : Service Requested
 SNR : Service Not Requested
 CNK : Condition Not Known
 SIT : Storage-In-Transit

CHARGES TO BE PAID BY: Cash Certified Check Money Order Credit Card Personal Check

Number of Articles
to be moved. _____

Number of Rooms
to be moved. _____

Total Number of Packing
Containers to be
Supplied by Carrier. _____

I AM IN NO WAY OBLIGATED TO HAVE THE ABOVE-NAMED CARRIER PERFORM ANY SERVICES. I REQUEST ONLY THE SERVICES AND ITEMS LISTED ON THIS DOCUMENT BE CONSIDERED IN DETERMINING THE ESTIMATED COST. I UNDERSTAND THAT ADDITIONAL CHARGES WILL BE MADE FOR ANY ADDITIONAL SERVICES REQUESTED AT A LATER DATE.

I hereby acknowledge that I have received the informational material "IMPORTANT INFORMATION FOR PERSONS MOVING HOUSEHOLD GOODS."

Signature of Shipper or Shipper's Representative _____

Date _____

NOTE: If moving conditions change between now and moving date, call the carrier.

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

TABLE OF MEASUREMENTS AND ESTIMATE

COLUMN 1				COLUMN 2			
Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Cu. Ft.	Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Cu. Ft.
LIVING AND FAMILY ROOMS				LIVING AND FAMILY ROOMS (Cont.)			
	Bar, Portable	15			Rug, Small Roll or Pad	3	
	Bench, Fireside or Piano	5			Sofa, 2 Cushions	35	
	Bookcase	20			Sofa, 3 Cushions	50	
	Bookshelves, Sectional	5			Sofa, 4 Cushions	60	
	Chair, Arm	10			Sofa, Sect., per Sect.	30	
	Chair, Occasional	15			Studio, Couch or Hideabed	50	
	Chair, Overstuffed	25			Tables, Coffee	5	
	Chair, Rocker	12			Tables, Dropleaf	12	
	Chair, Straight	5			Tables, Nesting	2	
	Clock, Grandfather	20			Television, Big Screen	40	
	Day Bed	30			Television Combination	25	
	Desk, Small or Winthrop	22			Television or Radio Console	15	
	Desk, Secretary	35			DINING ROOM		
	Fireplace Equipment	5			Bench, Harvest	10	
	Foot Stool	2			Buffet	30	
	Lamp, Floor or Pole	3			Cabinet, China	25	
	Magazine Rack	2			Cabinet, Corner	20	
	Music Cabinet	10			Chair, Dining	5	
	Piano, Baby Grand or Upright	70			Rug, Large Roll or Pad	10	
	Piano, Parlor Grand	80			Rug, Small Roll or Pad	3	
	Piano, Spinnet	60			Server	15	
	Rug, Large Roll or Pad	10			Table, Dining	30	
	Subtotal Col. 1				Tea Cart	10	
					Subtotal Col. 2		

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

TABLE OF MEASUREMENTS AND ESTIMATE (Continued)

COLUMN 3				COLUMN 4			
Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Pc.	Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Pc.
BEDROOM				BEDROOM (continued)			
	Bed, including Spring & Mattress:			Waterbed		20	
	Double	60		Bathinette	NURSERY	5	
	King Size	70		Bed, Youth		30	
	Single or Hollywood	40		Chair, Child's		3	
	Rollaway	20		Chair, Rocker		12	
	Bunk (Set of 2)	70		Chest		12	
	Bookshelves, Sectional	5		Chest, Toy		5	
	Bureau, Dresser, Chest of Drawers, Chiffonobe or Chiffonier	25		Crib, Baby		10	
	Cedar Chest	15		Pen, Play		10	
	Chair, Boudoir	10		Rug, Large Roll or Pad		10	
	Chair, Straight or Rocker	5		Rug, Small Roll or Pad		3	
	Chaise Lounge	25		Table, Child's		5	
	Desk, Small or Winthrop	22		Baker's Rack	KITCHEN	20	
	Dresser or Vanity Bench	3		Breakfast Suite Chairs		5	
	Dresser, Double (Mr. & Mrs.)	50		Breakfast Table		10	
	Exercise Bike	10		Butcher Block		10	
	Night Table	5		Chair, High		5	
	Rug, Large Roll or Pad	10		Ironing Board		2	
	Rug, Small Roll or Pad	3		Kitchen Cabinet		30	
	Vanity Dresser	20		Microwave		5	
	Wardrobe, Small	20		Serving Cart		15	
	Wardrobe, Large	40		Stool		3	
	Subtotal Col. 3			Table		5	
				Subtotal Col. 4			

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(Continued)

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

TABLE OF MEASUREMENTS AND ESTIMATE (Continued)

COLUMN 5				COLUMN 6			
Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Cu. Ft.	Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Cu. Ft.
KITCHEN (Continued)				PORCH, OUTDOOR FURNITURE AND EQUIPMENT (Continued)			
	Utility Cabinet	10			Clothes Dryer Rack	5	
APPLIANCES (LARGE)					Garden Hose and Tools	10	
	Air Conditioner, Window	30			Glider or Settee	20	
	Dishwasher	20			Ladder, Extension	10	
	Dryer, Electric or Gas	25			Lawn Mower (Hand)	5	
	Freezer: (Cu. Capacity in Ft.)				Lawn Mower (Power)	15	
	10 or less	10			Lawn Mower (Riding)	35	
	11 to 15	45			Leaf Sweeper	5	
	16 and over	60			Outdoor Child's Slide	10	
	Range, Electric or Gas	30			Outdoor Child's Gym	20	
	Refrigerator: (Cu. Capacity in Feet)				Outdoor Swings	30	
	6 or less	30			Picnic Bench	5	
	7 to 10	45			Picnic Table	20	
	11 and over	60			Roller, Lawn	15	
	Sewing Machine, Portable	5			Sand Box	10	
	Sewing Machine, Cabinet	10			Spreader	1	
	Trash Compactor	10			Table	10	
	Vacuum Cleaner	5			Umbrella	5	
	Washing Machine	25			Wheelbarrow	8	
PORCH, OUTDOOR FURNITURE AND EQUIPMENT					GARAGE		
	Barbecue or Portable Grill	10			Ash or Trash Can	7	
	Chairs, Lawn	5			Basket (Clothes)	5	
	Chairs, Porch	10					
	Subtotal Col. 5				Subtotal Col. 6		

410
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EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

TABLE OF MEASUREMENTS AND ESTIMATE (Continued)

COLUMN 7				COLUMN 8			
Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Pc. Ft.	Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Pc. Ft.
GARAGE (Continued)				GARAGE (Continued)			
	Bicycle	10			Table, Utility	5	
	Card Table	1			Tackle Box	1	
	Cabinet, Filing	20			Tires	5	
	Carriage, Baby	20			Tool Chest	10	
	Chairs, folding	1			Tricycle	5	
	Child's Car Seat	2			Truck	10	
	Clothes Hamper	5			Vacuum Cleaner	5	
	Cot, Folding	10			Wagon, Child's	5	
	Desk, Office	30			Waste Paper Basket	2	
	Fan	5			Work Bench	20	
	Fernery or Plant Stands	10			OTHER ITEMS (Specify)		
	Fishing Poles	1					
	Foot lockers	5					
	Golf Bag	2					
	Heater, Gas or Electric	5					
	Metal Shelves	5					
	Ping Pong Table	20					
	Pool Table	40					
	Power Tools	20					
	Sled	2					
	Step Ladder	5					
	Suitcase	5					
	Subtotal Col. 7				Subtotal Col. 8		

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EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

TABLE OF MEASUREMENTS AND ESTIMATE (Concluded)

COLUMN 9				COLUMN 10			
Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Cu. Pc. Ft.	Articles Not To Be Shipped	ARTICLE	Cu. Ft. Per Pc.	No. of Cu. Pc. Ft.
CONTAINERS (To Be Packed by Shipper)				CONTAINERS (Continued) (To Be Packed by Carrier)			
	Dish Pack		10		Mirror/Picture		5
	Carton				Wardrobe		15
	1 1/2 cu. ft.				Crates:		
	3 cu. ft.				x x =		
	4 1/2 cu. ft.				x x =		
	6 cu. ft.				x x =		
	6 1/2 cu. ft.				x x =		
	Lamps		5		Subtotal Col. 10		
	Mirror/Picture		5		Total Col. 1		
	Wardrobe		15		Total Col. 2		
CONTAINERS (To Be Packed by Carrier)					Total Col. 3		
	Dish Pack		10		Total Col. 4		
	Carton				Total Col. 5		
	1 1/2 cu. ft.				Total Col. 6		
	3 cu. ft.				Total Col. 7		
	4 1/2 cu. ft.				Total Col. 8		
	6 cu. ft.				Total Col. 9		
	6 1/2 cu. ft.				Total Col.10		
	Lamp		5		GRAND TOTAL		
	Subtotal Col. 9						

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Explanation of Abbreviations in Items 400, 410 and 420

@=at Col.=Column Cu. Ft.=Cubic feet lbs.=Pounds MI.=Miles No.=Number Pc.=Piece Wt.=Weight

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

This is Not a Contract
ESTIMATED COST OF SERVICES

NAME OF CARRIER
T NUMBER OF CARRIER
ADDRESS OF CARRIER
TELEPHONE NUMBER OF CARRIER

NAME _____ PHONE NO. _____ DATE _____
 MOVING FROM _____ REGION _____ DATE OF MOVING _____
 MOVING TO _____ REGION _____ DATE OF DELIVERY _____
 Charge To (Corporation or Individual) _____

SERVICES REQUESTED: Distance Move _____ Hourly Move _____ Piece Move _____ No. of Articles To Be Moved _____
 No. of Rooms To Be Moved _____ Total No. of Packing Containers to Be Supplied by Carrier _____
 CHARGES TO BE PAID BY: Cash _____ Certified Check _____ Money Order _____ Credit Card _____ Personal Check _____
 APPROXIMATE WEIGHT: Total Cubic Feet (from Table of Measurements) _____ cu. ft. at 7 lbs. per cu. ft. = _____ lbs.

LONG DISTANCE MOVING

Total Cu. Ft. _____ Miles _____
 Est. Weight _____ lbs. at _____ per 100 lbs. \$ _____
 No. flights _____ at _____ per 100 lbs. \$ _____
 No. Long Carries _____ at _____ per 100 lbs. \$ _____
 Extra Pickup-Delivery or Both _____ \$ _____
 Haul to - from Storage-in-Transit _____ hours _____ \$ _____
 Storage-in-Transit Charges:
 first Day _____ lbs. at _____ per 100 lbs. \$ _____
 Each Additional Day at _____ per 100 lbs. per day \$ _____
 Warehouse Handling _____ lbs. at _____ per 100 lbs. \$ _____
 Piano, Type _____ Organ, Type _____ \$ _____
 Appliances to Service _____ \$ _____
 Assembly/Disassembly of Articles _____ \$ _____
 Hoisting/Lowering _____ \$ _____
 Bulky Articles _____ \$ _____
 Valuation Charge (See Basis for Carrier's Estimated Cost of Services) \$ _____
 Other Services _____ \$ _____
 Estimated Cost \$ _____

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This is Not a Contract
ESTIMATED COST OF SERVICES (Continued)

	<u>LOCAL MOVING</u>		Loading _____ Mrs.
			Dbl Driving _____ Mrs.
			Unload _____ Mrs.
			TOTAL _____ Mrs.
ESTIMATE OF HOURS			
Estimated _____ hrs. for _____ van and _____ persons at \$ _____	per hour--straight time		
Estimated _____ hrs. for _____ van and _____ persons at \$ _____	per hour--overtime		
	Moving Charge	\$ _____	
Piano, Type _____	No. Flights _____	\$ _____	
Bridge or Ferry Tolls (Estimated) _____		\$ _____	
Hoisting/Lowering _____		\$ _____	
Valuation Charge (See Basis for Carrier's Estimated Cost of Services) _____		\$ _____	
Other Services _____		\$ _____	
Estimated Cost		\$ _____	

PACKING AND UNPACKING CHARGES MAY BE MADE EITHER ON AN HOURLY BASIS OR A UNIT BASIS.

PACKING AND UNPACKING

HOURLY LABOR

Pack at Residence, Estimated _____ hrs. for _____	Packers, at \$ _____	per hour--straight time
Pack at Residence, Estimated _____ hrs. for _____	Packers, at \$ _____	per hour--overtime
	Packing Charge	\$ _____
Unpack, Estimated _____ hrs. for _____	Unpackers, at _____	per hour--straight time
Unpack, Estimated _____ hrs. for _____	Unpackers, at _____	per hour--overtime
	Unpacking Charge	\$ _____

Hourly Packing Labor Costs \$ _____

MATERIAL AND UNIT PACKING

	Quantity	Charge per Unit			
		Pack	Unpack	Material	
Dish Packs or Barrels _____					\$ _____
Cartons over 1 1/2 cu. ft. _____					\$ _____
Cartons over 3 cu. ft. _____					\$ _____
Cartons over 4 1/2 cu. ft. _____					\$ _____
Cartons over 6 cu. ft. _____					\$ _____
Cartons over 6 1/2 cu. ft. _____					\$ _____
Wardrobes _____					\$ _____
Mattress Ctn. Single _____					\$ _____
Mattress Ctn. Double _____					\$ _____
Mattress Ctn. King _____					\$ _____
Mattress Ctn. Crib _____					\$ _____
Glass Packs _____					\$ _____
Crate, Size _____					\$ _____
Crate, Size _____					\$ _____

Materials and/or Unit Packing Costs \$ _____

Total (Hourly or Unit) Packing and Materials Cost \$ _____

DELIVERY OF PACKING MATERIAL _____ \$ _____

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This Is Not A Contract
ESTIMATED COST OF SERVICES (Concluded)

REMARKS

(Any remarks, including minimums such as weight, hours, per pound valuation, etc.)

LOCAL MOVING _____	\$ _____	
STORAGE _____	\$ _____	
LONG DISTANCE MOVING _____	\$ _____	
PACKING AND/OR UNPACKING _____	\$ _____	
MISCELLANEOUS _____	\$ _____	
TOTAL COST		\$ _____
Amount Total Cost EXCEEDS Charges Under Maximum Fixed Rate		\$ _____

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IMPORTANT NOTICE: This estimated cost document covers only the articles and services listed on the Basis for Carrier's Estimated Cost of Services. **ACTUAL CHARGES FOR THOSE SERVICES WILL NOT EXCEED THE AMOUNT OF THE ESTIMATED COST.** No guarantee can be made as to specific dates of pickup or delivery of your shipment, unless you make special arrangements with the carrier.

NOTICE TO ESTIMATOR: It is mandatory to use cubic footage for each article at not less than that shown on the Table of Measurements and Estimate and the total cubic footage be multiplied by seven to determine the total approximate weight for determining the charge under maximum fixed rate.

ESTIMATOR'S SIGNATURE _____ DATE _____

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CHANGE ORDER FOR SERVICES

NAME OF CARRIER
 T NUMBER OF CARRIER
 ADDRESS OF CARRIER
 TELEPHONE NUMBER OF CARRIER

THIS WILL CERTIFY AND ATTEST THAT SHIPPER OR SHIPPER'S REPRESENTATIVE AS SHOWN ON ORDER FOR SERVICES NO. _____ DATED _____ WITH _____ REQUESTS ADDITIONAL SERVICES AT _____ (CARRIER'S NAME) CHARGES AS INDICATED ON REVERSE OF THIS FORM.

Estimated Cost of Services, Agreement for Service, Shipping Order and Freight Bill.

Document Issued at: _____ Date Service Req'd _____ A.M. P.M.

 Pack Date _____ A.M. P.M.

 Delivery Date Req'd _____ A.M. P.M.

 Order taken by: _____

SHIPPER IS REQUESTED TO READ THIS DOCUMENT BEFORE SIGNING and ask for an explanation of anything not clear or inconsistent with any previous representation. THIS WILL CONFIRM INSTRUCTIONS AND AUTHORIZE CARRIER TO MOVE, SHIP, PACK, STORE AND/OR PERFORM THE SERVICES HEREON.

FROM: _____ TO: _____
 _____ Floor _____ Floor
 _____ Apt. No. _____ Apt. No.
 _____ Phone _____ Phone

ORIGIN	DESTINATION	EXTRA HELPER	RATES FOR OTHER ADDITIONAL SERVICES
Van and _____ Persons	Van and _____ Persons	per person	REQUESTED
\$ _____ per hr.	\$ _____ per hr.	@ \$ _____ hr.	_____

Calculated on Basis of Loading and Unloading Plus Double Driving time between Point of Pickup and Delivery.

PACKING INSTRUCTIONS pack _____ unpack _____ hourly _____ unit _____

 PACKER'S NAME _____ HOURS _____ DATE _____

LONG DISTANCE RATES

Miles	500 Lbs.	1000 Lbs.	2000 Lbs.	5000 Lbs.	9000 Lbs.	12000 Lbs.	16000 Lbs.
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Additional Charge for Pickup or Delivery at other than Ground floor Per Piece or Cwt. per Flight \$ _____

STORAGE-IN-TRANSIT (Max. 90 days)
 First Day @ _____ c/cwt.
 Additional Days @ _____ c/cwt./day
 Warehouse Handling _____ lbs @ _____ c/cwt.

Split Pickup and/or Delivery per Stop @ \$ _____

PIECE MOVING (NOT OVER 5 PIECES) 1st Article \$ _____ Add'l Articles \$ _____ EA. Miles _____

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CHANGE ORDER FOR SERVICES (Continued)

PACKING/UNPACKING
(Either hourly or by Container)

RATES FOR HOURLY PACKING LABOR (If Applicable)

PACKING/CRATING @ \$ _____ Per Person Per Hour Plus All Materials Used on Job
UNPACKING/UNCRATING @ \$ _____ Per Person Per Hour Plus All Materials Used on Job

RATES AND CHARGES PER UNIT (CONTAINER)

CONTAINER/MATERIAL	No. Est. Used	FOR MATERIALS		FOR PACKING		FOR UNPACKING	
		RATE	AMOUNT	RATE	AMOUNT	RATE	AMOUNT
Dishpacks (Not less than 5 cu. ft.)		\$		\$		\$	
Cartons: 1 1/2 cu. ft.		\$		\$		\$	
3 cu. ft.		\$		\$		\$	
4 1/2 cu. ft.		\$		\$		\$	
6 1/2 cu. ft.		\$		\$		\$	
Matress: Single Size		\$		\$		\$	
Double Size		\$		\$		\$	
King Size		\$		\$		\$	
Queen Size		\$		\$		\$	
Crib Size		\$		\$		\$	
Mirror Cartons:		\$		\$		\$	
Wardrobes		\$		\$		\$	
Crates		\$		\$		\$	
		\$		\$		\$	
		\$		\$		\$	

TOTAL MATERIALS CHARGE \$ _____
TOTAL UNIT PACKING CHARGE \$ _____
TOTAL UNIT UNPACKING CHARGE \$ _____

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Driver	Loading	Delivery/Pickup of Containers		
Helper	Dbl Driving	Hrs.	TOTAL PACKING/UNPACKING HOURS @ \$	PER HR.
Helper	Unload	Hrs.		
Van. No.	TOTAL	HOURS	CHARGE	@ \$ Per Hr. \$
		Overtime	Hours	@ \$ Per Hr. \$
		Extra Person ()	Hours	@ \$ Per Hr. \$
		Gross Wt. lbs.	Tare Wt. lbs.	\$
		Net Weight	lbs.	@ \$ Per Cvt. \$
		Flight/Long Carry	@ \$	Per Cvt. \$
		Extra Pickup or Delivery	@ \$	\$
		TOTAL PACKING MATERIAL CHARGES		\$
		TAX		\$
		TOTAL HOURLY PACKING	HRS. @ \$	or \$
		TOTAL UNIT PACKING/UNPACKING		\$
		APPLIANCES to be serviced. If none write "NONE"		\$
				\$

The Articles Listed Will Be Included In The Valuation Declared In The Agreement For Service Unless A Change Is Requested.

Shipper requests a change in the valuation listed in the Agreement for Service and declares shipment value to be:
\$ _____

The level of protection (actual cash value or full value) indicated on the Agreement will apply at carriers stated rate per \$100 of declared value, unless otherwise indicated here.

TRANSPORTATION VALUATION OPTIONS
60 cents/lb/article _____ no additional charge
Actual Cash Value @ \$ _____ per \$100 of declared value
Full Value @ \$ _____ per \$100 of declared value
STORAGE-IN-TRANSIT VALUATION OPTIONS
Actual Cash Value @ \$ _____ per \$100 of declared value
Full Value @ \$ _____ per \$100 of declared value

HOW PAID
Cash _____ Certified Check _____ TOTAL \$ _____
Money Order _____ Credit Card _____ PREPAID \$ _____
Personal Check _____ BALANCE \$ _____

I UNDERSTAND THAT THE COST FOR SERVICES RENDERED WILL "NOT EXCEED" _____ (Total Price) _____ (Initial)
I UNDERSTAND THAT I HAVE THE RIGHT TO REFUSE TO SIGN THIS CHANGE ORDER. _____ (Initial)
I UNDERSTAND THAT I MAY BE REQUIRED TO PAY FOR THE SERVICES REQUESTED ABOVE AT TIME OF DELIVERY. THESE CHARGES ARE IN ADDITION TO THOSE CHARGES SET FORTH ON THE ESTIMATED COST OF SERVICES. CARRIER IS NOT REQUIRED TO EXTEND CREDIT IN THE AMOUNT OF THE CHARGES ACCRUED FOR THE ABOVE ADDITIONAL SERVICES. I HAVE READ THIS CONTRACT AND AGREE TO THE PROVISIONS HEREIN, AND RECEIVED A COPY.

Carrier's Representative _____ Shipper or Shipper's Representative _____ Date _____

EFFECTIVE AS SHOWN ON ORIGINAL PAGE

AGREEMENT FOR SERVICE

Form For Use In Connection With Consignments Of Used Household Goods And Related Articles

(Name and T number of carrier which shall be the name in which the operating authority is held.)

(Serial number of document)

(The shipper is requested to read this document carefully before signing it and to ask for an explanation of anything which is not clear or is inconsistent with any previous representation made by the carrier.)

(Place document is issued)

(Date move is tendered)

(Date issued)

This will confirm instructions received from _____ (Name the person placing instructions) to transport a consignment of _____ (Household goods or other sufficient description to determine the articles

Included in the Not To Exceed Price)

from _____ (Describe the location from which the goods are to be shipped)

to _____, to receive the (Describe the location at which the goods are to be delivered)

consignment for transportation on _____ (Specify the date and time or other arrangement)

and to perform the accessorial services of _____ (Specify services such as packing, crating,

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unpacking or uncrating, in sufficient detail to determine the services included

or not included in the Not To Exceed Price)

_____ In connection with the receipt, transportation or delivery of the consignment, to notify _____ (Name the party to be notified)

at _____ (Location where notification is to be made)

by _____ (Describe when and how notification is to be made, the expected delivery date, and when and

how delivery is to be accomplished, or note the shipper was requested to supply a notification address

and/or delivery arrangements but declined to do so)

AGREEMENT FOR SERVICE (Continued)

Form For Use In Connection With Consignments Of Used Household Goods And Related Articles (Concluded)

The rate(s) for the above described services is (are) _____

(Name the rate or rates and the number of persons, viz. helpers, packers, to be provided for transportation and accessorial services ordered, designating the particular services for which different rates are quoted and the circumstances which may result in extra charges, e.g. if the shipper orders additional service or fails to accept delivery pursuant to the arrangements described above, or if carrier imposes any minimum provision or charges overtime)

The charge will include a minimum of _____ (list any minimum hours, weights, rates, per pound valuation, etc.)

The Carrier Agrees to Perform the Stated Services at the Stated Rates _____ (Signature of Carrier)

Important Notice

No rates higher than the Maximum Fixed Rates promulgated in the California Public Utilities Commission's Maximum Rate Tariff 4 may be quoted or charged, unless an Estimated Cost of Services has been issued three (3) days or more before the day of the move.

The Not To Exceed Price shall be no higher than the Estimated Cost of Services plus any Change Order for Services issued prior to signing this Agreement. The maximum charge shall be the quoted rates applied to: the number of hours, weight, or number of other units of measurement, but no higher than the Not To Exceed Price.

Copies of the California Public Utilities Commission's Maximum Rate Tariff 4 are open for public inspection at the Commission's offices in San Francisco and Los Angeles and at the carrier's office:

_____ (designate location)

NOT TO EXCEED PRICE (for all services and articles named herein): THE MAXIMUM CHARGE THAT MAY BE ASSESSED FOR THIS SHIPMENT IS \$ _____ (Subject to Change Orders for Service)

(State whether shipper is to pay charges in cash, check or by authorized credit card.)

_____ (Shipper's Name)

_____ (Carrier's Name)

_____ (Signature of Shipper or Agent of Shipper)

_____ (Name of Carrier's Representative)

_____ (Address of Shipper or Agent of Shipper)

_____ (Signature of Carrier's Representative)

_____ (Date)

_____ (Date)

EXECUTION OF THE AGREEMENT DOES NOT EXEMPT CARRIER FROM COMPLIANCE WITH ANY PROVISION OF LAW OR PUBLIC UTILITIES COMMISSION RULES OR REGULATIONS, EVEN THOUGH NOT EXPRESSLY SET FORTH IN THE AGREEMENT.

EFFECTIVE AS SHOWN ON ORIGINAL TITLE PAGE

AGREEMENT FOR SERVICE (Concluded)

CONSUMER PROTECTIONS AND/OR WAIVERS

1. IMPORTANT INFORMATION BOOKLET

In accordance with the rules of the California Public Utilities Commission (CPUC), before your move, the carrier (the moving company) is required to ensure you (the shipper) have been given the booklet, Important Information for Persons Moving Household Goods. You may choose not to receive a booklet from this carrier if you previously received one from another source. By initialing below, the shipper acknowledges receipt of the booklet either before or on the day of the move.

I have received the booklet _____ Date _____
(initial)

2. MAXIMUM RATES

The CPUC has set the maximum rates a carrier may charge for a move. The carrier may exceed these rates only if a written estimate of cost for the move is provided more than three days before the move occurs and the estimate indicates that maximum rates are to be exceeded.

- Have you received a written estimate? Yes _____ No _____
- Does the estimate indicate that maximum rates are to be exceeded? Yes _____ No _____
- If maximum rates are to be exceeded, have you been informed of the amount of charges to be assessed over the maximum rates? Yes _____ No _____
- Do you consent to the amount of charges to be assessed over the the maximum rates? Yes _____ No _____

3. COVERAGE FOR LOSS AND DAMAGE

As explained in the "Important Information..." booklet, there are options available to cover loss or damage to your goods. These options are:

- 1) 60 cents per pound per article --
This option provides for recovery for lost or damaged item(s) based on 60 cents times the weight of the item(s). This coverage is provided at no additional charge.
- 2) Actual Cash Value --
This option provides for recovery for lost or damaged items based on actual cash value (depreciated value) at the time of loss or damage, up to the total dollar amount of value declared by you. You may be charged for coverage under this option.
- 3) Full Value Protection --
This option provides for recovery for lost or damaged items based on current replacement value at the time of loss or damage, up to the total dollar amount of valuation declared by the shipper. You may be charged for coverage provided under this option.

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VALUATION DECLARATION

NOTICE: Coverage for Loss And Damage Is Limited To The Actual Cash Value Of Losses Up To The Amount Of \$20,000, Unless The Shipper Signing This Contract Inserts In The Space Below, In His (Or Her) Own Handwriting, Another Value. You May Be Charged For Coverage Provided Other Than \$.60 Per Pound Per Article.

Shipper hereby releases the entire shipment to a value not exceeding \$ _____
(To be completed by shipper signing below.)

(Optional: If a carrier elects to apply a minimum per pound valuation level the following section entitled "PER POUND VALUATION MINIMUMS" must be included.)

VALUATION OPTIONS	INITIAL YOUR CHOICE	VALUATION CHARGE (per \$100 of declared value)	{Optional: PER POUND VALUATION MINIMUMS (a minimum \$ value per pound)
Basic: 60 cents/lb/article	_____	no additional charge	not applicable
Actual Cash Value	_____	\$ _____	\$ _____ per pound
Full Value	_____	\$ _____	\$ _____ per pound

Shipper's Signature _____
Date _____

4. ISSUANCE OF AGREEMENT FOR SERVICE

The CPUC requires that an "Agreement for Service" be issued to you by the carrier three days or more in advance of the move. An exception to this requirement is where the arrangement to move occurs on short notice (less than 3 days). You may also choose to waive this requirement entirely, at any time prior to the move.

- Did you choose to waive this requirement entirely? Yes _____ No _____
- Was the moving date agreed to between you and the carrier less than 3 days prior to the day of the move? Yes _____ No _____

Please Print Shipper's Name: _____

Shipper's Signature: _____

Date: _____

SHIPPING ORDER AND FREIGHT BILL FOR USED HOUSEHOLD GOODS AND RELATED ARTICLES

Name of Carrier _____ Bill No. _____
 Address _____ T Number of Carrier _____
 Date Issued _____
 Shipper _____ Consignee _____
 Street Address _____ Street Address _____
 City _____ City _____
 Credit Card of Shipper: Name _____ Number _____
 Destination telephone number and notification address if different than delivery address _____

Description of Shipment: AT RATES IN DOLLARS PER HOUR

Units of Equipment: with Driver only		with Driver and Helper		Rate	Charges
Service	Time Started	Time Completed	Deductions(1)		
Loading					\$
Driving			(2)		\$
Unloading					\$
Total					\$

Number of Additional Helpers

Loading				\$
Driving			(2)	\$
Unloading				\$
Total				\$

AT RATES IN DOLLARS PER PIECE (5 Pieces or Less)

Number of Pieces	Rate for First Piece	Rate for Each Additional Piece	Charges
			\$
Total			\$

AT RATES IN DOLLARS PER 100 POUNDS

Weight	Miles	Tariff Rate Item	Rate	Charges
				\$

OTHER SERVICES (Including number of Packers) AND CHARGES (3)

Valuation Charge (See Agreement for Service)	\$
Total to Collect	\$

NOT TO EXCEED PRICE \$

- (1) Show time not chargeable, such as time for meals.
- (2) Show double the driving time, except when more than one shipment transported on a single unit of equipment, show not less than _____ minutes actual time.
- (3) Show each charge separately and what it represents.

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SHIPPING ORDER AND FREIGHT BILL FOR USED HOUSEHOLD GOODS AND RELATED ARTICLES (Concluded)

Description of Shipment: _____

Shipper's preferred delivery date: _____

Received by carrier in good condition on _____ (date), except as noted: _____

Received by consignee: Name _____ Date _____

NOTICE:

PLEASE INSPECT YOUR GOODS PROMPTLY.
CLAIMS FOR ANY LOST OR DAMAGED GOODS MUST BE FILED WITH THE CARRIER IN WRITING.

Computation of Amount Payable When Estimated Cost of Services Has Been Given

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The amount of Estimated Cost of Services	(1) \$	_____
Total charge on Change Order for Services	(2) \$	_____
Maximum charge shipper shall pay: total of (1) and (2)	\$	_____

I hereby authorize carrier to assign the freight charges to my credit card account (as named above).

Signature of shipper or shipper's representative

Date

Signature of carrier or carrier's representative

Date

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**IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Within California)**

The California Public Utilities Commission (PUC) requires this information be provided without charge by household goods carriers to persons planning to move between points in California. The carrier ultimately performing your move must 1) provide this booklet to you at first in-person contact, 2) mail the booklet to you by Registered Mail, return receipt requested (time allowing) if the move was arranged and confirmed by mail or telephone and no in-person contact is made prior to the day of the move, or 3) obtain your assurance that you received it from some other source. In any case, you must initial a statement, on the Consumer Protections and/or Waivers section of the Agreement for Service (Agreement), indicating you have received the booklet. If your carrier does not ensure you have this booklet, you are eligible for a \$100 reduction in your bill.

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INTRODUCTION

This material is designed to provide you with the information necessary to ensure a well-planned, uncomplicated move. Throughout this document you will be referred to as the "shipper". The moving company will be called either the "carrier" or the "mover".

The PUC has rules limiting how much the mover can charge you for its services. The specific government rules, regulations and rate limitations for moves within California are provided in the Public Utilities Commission's Maximum Rate Tariff 4. A copy of Maximum Rate Tariff 4 and all forms and documents used by the mover can be examined at either the mover's place of business or the PUC

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**IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)**

offices located throughout the State (see attached list). In addition, you may call 1-800-FON-4PUC (1-800-366-4782) for information on the maximum rate program.

Most moves involve a lot of paperwork. Read all forms and be sure they are completely filled out before you sign. Always get a copy of everything you sign.

If you have a problem about a move within California that you and the carrier cannot resolve, please call the nearest PUC field office or 1-800-FON-4PUC (1-800-366-4782).

HOW TO CHOOSE A MOVER

Many carriers are listed in classified telephone directories, newspapers and local advertising. You may want to ask friends who have recently moved if they can recommend a moving company. Additionally, some realtors will advise you based upon their customers' experience. Carrier associations, business groups, chambers of commerce and consumer organizations may also be a source of information. Once you have the names of several moving companies you may call the PUC at 1-800-FON-4PUC (1-800-366-4782) to determine whether the carrier is a licensed carrier. You should also get estimates to compare the prices and services of different moving companies.

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Be sure to obtain the complete and correct name, T number, address and telephone number of the carrier who is to transport your shipment, and keep the carrier informed as to how and where you may be reached at all times until the shipment is delivered.

ESTIMATES AND COSTS

You should always request a written estimate from several movers so you can compare prices. Written estimates are binding on the mover. All written estimates must be based on a visual inspection of goods and must show total estimated charges. A rate quotation (how much it will cost per 100 pounds, or per hour) is not an estimate. Remember, verbal estimates are not binding. To avoid problems in the long run, get it in writing!

Be sure to give the mover as much information as possible about the goods you are moving, any special services you require and conditions affecting pick-up and delivery (e.g. stairs, narrow

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IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)

road). It is especially important to tell the mover everything about your new home that may affect your move. This ensures a more accurate estimate of cost, and reduces the chance of unpleasant surprises on moving day.

A carrier's rates must be based on constructive miles, which are miles accounting for driving conditions. If your move is 100 constructive miles or less, it is considered a local move and is usually charged by the hour. On moves that can be completed in a few hours, some carriers may not want to give an estimate, but will quote you the hourly rate. You should strongly consider contacting other carriers to get a written estimate of the total cost.

If the move is over 100 constructive miles, it is considered a long-distance move and must be charged on a weight and mileage basis. As the weight increases, the cost per pound decreases.

If you have only a few things to move, you should be aware that some carriers may have minimum charges. That means on hourly moves the carrier may charge a minimum of four hours even if your move only takes three. On distance moves the carrier may have a minimum weight of 5,000 pounds. So, even if the total weight of your shipment is 3,000 pounds, you will still pay for 5,000 pounds.

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The carrier will charge extra for packing and unpacking. On distance-rated shipments there may be an additional charge for elevators and flights of stairs past the first floor (except in a single family home). If it is impossible for the carrier to park so that the tailgate of his vehicle is within 75 feet of the front door, a long carry charge may apply.

If you add items or request services not included in the estimate, the carrier will provide a Change Order for Services (Change Order) either at the time of pickup or before performing services, and, of course, you pay for these additional services. Make sure the form is filled out before you sign and don't forget to keep a copy. Do not sign a blank Change Order.

The PUC wants to ensure that you know the cost of your move in advance and that you do not pay an excessive price for the move. Before your move begins, the mover must inform you of a Not To Exceed Price for your move and cannot charge you more than that price. This information must be written on the Agreement along with any minimums that may apply and specific details of the move.

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**IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)**

If you have an estimate, the amount of the estimate is the highest price you can be charged and should be the Not To Exceed Price written on the Agreement. Any charges on a Change Order will be added, as discussed above.

If you get an estimate less than 3 days before the day of the move, the highest price you will pay is the lesser of (1) the Not To Exceed Price, subject to maximum fixed rates, plus any Change Order charges or (2) the charges calculated using the rates quoted in the Agreement.

INVENTORY REPORT

When the carrier arrives to pick up your goods, you may request an inventory of all articles shipped. The carrier will note on the inventory the condition of your furniture and other goods in a code explained at the top of the form: e.g., "G" for gouged. Make sure you and the carrier agree about the condition. If you disagree, make your own notation on the inventory list; otherwise, you may have difficulty securing compensation should damage occur.

A complete and specific inventory report is a business-like procedure for you and the carrier. While common for distance moves, be aware that if yours is an hourly move you may be charged for the time it takes to prepare the inventory report. Avoid verbal assurances which may not be enforceable.

Similarly, your personal participation is recommended when your goods are delivered. If an item is missing or damaged, tell the carrier and mark it on both the carrier's and your copy of the inventory sheet. Check all cartons carrying china, glassware, and other fragile items for damage before the carrier leaves.

When delivery is complete, you should sign the inventory sheet and delivery receipt noting any lost or damaged items. This will simplify processing of any future claims. However, failure to do so in no way affects your right to make a claim and to have the claim considered on its merits.

PICKUP AND DELIVERY DATES

If the carrier agrees to pick up your goods on a particular day and/or at a specified time, every effort must be made to meet that commitment. If, for some reason, the time or date cannot be met,

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**IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)**

the carrier must notify you (or the party you designate) by telephone, telegraph or fax, at the carrier's expense, as soon as it becomes apparent that the pickup will not be at the time promised.

If delivery of your goods is delayed, the carrier must notify you at least 24 hours in advance (at carrier's expense by telephone, telegraph or fax), at the address or telephone number you have provided.

Claims for reimbursement for damages (e.g. hotel expense) because of carrier negligence in failing to pick up or deliver your shipment on the agreed upon date or period of time specified in the Agreement and shipping order should be handled like any other claim for loss or damage. (See "How to File a Claim".)

For moves weighing 5000 pounds or more and/or transported 75 miles or more, you may request the mover to pick up a shipment on an agreed date and deliver it within an agreed upon span of two consecutive days. If pickup is not made on the agreed upon date and delivery within two (2) days of the agreed date, the carrier must pay you \$100 per day for each and every day of delay. This is in addition to any other claim you may make. You must request this service in writing and any claim for failure to deliver on the agreed date must be made in writing within 30 days of delivery. (See "How to File a Claim".)

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PACKING AND OTHER PREPARATIONS

You may wish to save money by packing your own household goods; however, you should be aware that in the event of breakage you will have to show damage occurred because of the mover's negligent handling and not your packing. In case there is damage, always save the box, the contents and the packing materials to facilitate claims handling. Never pack matches, flammables or other dangerous articles. It's a good idea to empty, defrost and dry refrigerators and freezers. You should set aside jewelry, money, vital documents and valuable small items to carry with you.

It's up to you to make such preparations as disconnecting major appliances, providing special services to protect them during the move and removing items attached to walls or floors such as draperies and tacked-down carpets. Some moving companies will provide these services for a fee, or they can suggest firms in the local area to assist you.

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IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)

AGREEMENT FOR SERVICE

In addition to other items, the Agreement shows: the carrier's name, T number, address, and telephone number where you can reach him or her; the address and the telephone number where the carrier can contact you about the move; the location where your goods are being moved; the date of loading or pickup and the preferred date of delivery; a summary description of the move (i.e., a general description of items to be included or excluded and services to be provided); the declared value of your goods; the rates upon which the charges are based and any minimums the carrier may have; and the Not To Exceed Price, which is the highest charge that may be assessed for the various services to be performed.

The carrier is required to complete the Agreement (except for the Not To Exceed Price), sign it, and give it to you no less than 3 days before the move. This gives you time to review it and ask for an explanation of any unclear items. For example, if you are moving on Saturday, you should get the Agreement on Wednesday. Before your move begins, the carrier must fill in the Not To Exceed Price on the Agreement, and both you and the carrier must sign it.

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WEIGHING YOUR GOODS

When your charges are based on weight, the moving van will be weighed by a certified weighmaster on a certified scale before and after loading. You may observe the actual weighing or you may ask the carrier to notify you of the charges by telephone, telegraph or fax as soon as the goods are weighed. You should request copies of the weight information before and after loading. If you have any reason to question the reported weight, you may ask for a reweigh before delivery.

No extra charge will be made for reweighing IF the difference between the two net scale weights exceeds 100 pounds on shipments weighing 5,000 pounds or less or exceeds two (2) percent of the lower net scale weight on shipments weighing more than 5,000 pounds. The lower of the two net weights must be used in determining the charges. If you request a reweigh and the difference between the weights is not as described above, you may be required to pay for the reweighing.

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IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)

PROTECTING YOUR GOODS

Already included in the carrier's rates is protection against possible loss or damage at \$0.60 per pound per article. You may choose to purchase additional protection and set the value on your belongings for an amount that makes you comfortable. Be sure to check any insurance policies you have before paying for additional protection. If you are unsure, call your insurance agent.

The carrier may charge you for the level of protection and the value you place on your goods. Actual cash value protection covers the depreciated value of your goods and is determined by such things as the cost of the item new, its age, its condition when received by the mover, and the value you declare. Full value protection usually costs more since it will cover the replacement cost of any lost or damaged item. The carrier may opt to replace, reimburse or repair the damaged item, according to the protection level you choose. Remember to declare items of high value. If you fail to do this the carrier may not be liable for those items regardless of the level of protection you choose. In addition, you can protect your goods while they are stored-in-transit, and your carrier may charge an additional valuation rate. However, if the storage-in-transit is undertaken for the carrier's convenience, you will not be charged for this additional protection.

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The Agreement includes a section entitled "Consumer Protections and/or Waivers" on which you must declare the value of your shipment and choose a level of protection. If you fail to do so, your goods will be automatically protected for actual cash value up to \$20,000. You may be charged for this protection, at the rate for each \$100 (or fraction thereof) of declared value, as stated on the Agreement. If no valuation charge is stated, the rate is \$0 (zero) per \$100 of declared value. Your protection level choices are explained below.

a. Basic Coverage at \$0.60 per pound per article ensures recovery at \$0.60 multiplied by the weight of the item. Thus, if an item weighing 20 pounds is lost or damaged, you can recover \$12.00 for that item ($\0.60×20 pounds). This is very minimal protection and your goods are probably worth considerably more. This protection is included in the mover's rate.

b. Actual Cash Value protection ensures recovery at the actual cash value of your lost or damaged item (i.e., fair market value), up to the total value you declare. If you order storage-in-

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**IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)**

transit, you may choose this level of protection while your goods are stored. The carrier may charge for actual cash value protection, and will state the rate on the Agreement.

c. Full Value protection ensures recovery at the full value of your lost or damaged item (replacement value), up to the total value you declare. The carrier may offer deductibles in combination with full value protection. You are only responsible for deductibles when loss is NOT caused by carrier; refer to section on Limitations on the Carrier's Liability. If you order storage-in-transit, you may choose this level of protection while your goods are stored. The carrier may charge for full value protection, and will state the rate on the Agreement.

LIABILITY FOR VALUABLES

Items of extraordinary value, such as antiques, art objects, gold or silver articles, etc., should be separately described on the inventory and a value declared for each. It's best not to ship money, jewelry, important papers or other valuable personal articles. If you must, be sure to list the items by description and value on the shipping document.

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LIMITATIONS ON THE CARRIER'S LIABILITY

The carrier is not liable for loss or damage in the following situations:

- a. perishables;
- b. loss or damage caused by the shipper, including improper packing;
- c. defect or inherent vice of the article, such as susceptibility to atmospheric changes;
- d. insects, moths, vermin, ordinary wear and tear, or gradual deterioration;
- e. mechanical or electrical derangement of musical instruments, electronic components or appliances, if there is no sign of exterior damage;

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**IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)**

- f. loss or damage caused as a result of any strike, lockout, labor disturbance, riot, civil commotion, or any act of any person or persons taking part in any such occurrence or disorder;
- g. hostile or warlike action in time of peace or war;
- h. breakage caused by normal handling of china, glassware, bric-a-brac, or other similar items, unless packed by the carrier;
- i. liability of carrier for loss or damage shall be subject to your compliance with the rules for filing claims.

For more complete information regarding limitations on the carrier's liability, please see General Order 136-C, which you may obtain from the PUC.

HOW TO FILE A CLAIM

If your goods are lost or damaged, be sure you describe such loss and damage by making notations on the carrier's shipping order or freight bill. If the driver refuses, you should report this fact and the condition of the articles in writing to the home office of the carrier. Neither of these actions constitute filing a claim, but are made to support a claim to be filed later, as described below.

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To file a claim you must:

1. write the home office of the carrier and describe the loss or damage;
2. list separately the lost or damaged items;
3. note the exact amount you are claiming for each lost or damaged item;
4. give the date of your move, the origin and destination and the carrier's order number.

If the damage is to packed items, you should retain the box, its contents and the packing materials. This is especially important if you did the packing since you will have to show that bad packing was not the cause of the damage.

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**IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)**

Providing copies of documents such as store receipts for the lost or damaged items and professional estimates for repair will speed the processing of your claim.

You should also retain copies of all correspondence with the moving company. In addition, all correspondence addressed to the moving company should be sent by Registered Mail, return receipt requested, to evidence receipt of your claim by the carrier.

Your claim must be filed, in writing, within nine (9) months after delivery of the goods or within nine (9) months after a reasonable time for delivery has elapsed. Specific rules are set forth in Maximum Rate Tariff 4. The carrier is required to acknowledge claims in writing within 30 days and must pay, decline to pay or make a firm compromise settlement within 60 days of receipt of your claim. If some reason beyond the carrier's control delays action for a longer time, the carrier is required to notify you in writing within 60 days of receipt of your claim as to its status and the reason for delay (with a copy to the PUC) and again every 30 days thereafter until final action is taken. (See Maximum Rate Tariff 4, Item 92 for more information on filing claims.)

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The PUC has no authority to compel carriers to settle claims for loss or damage and will not undertake to determine whether the basis for, or the amount of, such claims is proper, nor will it attempt to determine the carrier's liability for such loss or damage. If both parties consent, the claim may be submitted to an impartial arbitrator for resolution. If you are interested in arbitration you may contact the PUC at 1-800-FON-4PUC (1-800-366-4782). You may also commence a suit in small claims court or other court of law.

If arbitration or civil action result in a decision in your favor and the carrier fails to comply, contact the PUC.

IF YOUR NEW HOME IS NOT READY

If you cannot move into your new home or apartment immediately, you may wish to have your goods moved from your present residence and held in storage for later delivery. For a storage period of 90 days or less, you can request Storage-in-Transit. Separate charges will be assessed for the transportation from your old place of residence into storage, for the Storage-in-Transit, and for the

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IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)

transportation to your new residence. Storage and handling charges will be assessed for this service and it will be covered by the terms and conditions of your Agreement with the moving company.

If you do not request Storage-in-Transit, or if your storage period exceeds 90 days, your goods will be subject to rates, terms, and conditions set by the local warehouse and the service will be under a separate contract with the warehouseman and not regulated by the PUC.

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PAYING FOR YOUR MOVE

Most carriers insist that you pay in cash, by money order or certified check; however, you may arrange in advance for the carrier to extend you credit. If the carrier will accept payment by credit card or personal check, be sure this arrangement is noted on the Agreement. Carriers must relinquish your goods upon payment of total charges due; however, should these total charges be higher than the Not To Exceed Price or the amount of your written estimate plus the Change Order for Services (if any) a complaint should be made to the PUC.

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**IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Continued)**

PUBLIC UTILITIES COMMISSION DISTRICT OFFICES

<u>City & Zip Code</u>	<u>Address</u>	<u>Local Telephone No.</u>
BAKERSFIELD 93308	3801 Pierce Rd. Suite 108	(805) 395-2822
CAMPBELL 95008	1799 So. Winchester Suite 109	(408) 277-1053
CULVER CITY 90230	5601 W. Slauson Room 252	(213) 412-6349
DOWNEY 90241	8141 E. 2nd Street Suite 310	(213) 923-5576
EL CENTRO 92243	1681 Main Street Room 329	(619) 352-3123
EL MONTE 91731	9650 Flair Drive Suite 502	(818) 575-6727
EUREKA 95501	2921 "E" Street Suite A	(707) 445-6512
FRESNO 93721	2550 Mariposa Street Room 4047	(209) 445-5081
OAKLAND 94621	350 Pendleton Way	(510) 729-7586
REDDING 96001	2135 Akard Avenue Room 6	(916) 225-2160
SACRAMENTO 95814	1107 Ninth Street Suite 740	(916) 445-5231
SAN BERNARDINO 92401	255 N. "D" Street Suite 310	(714) 383-4208
SAN BRUNO 94066	1150 Bayhill Drive Suite 106	(415) 588-9060

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IMPORTANT INFORMATION FOR PERSONS MOVING
HOUSEHOLD GOODS (Concluded)

PUBLIC UTILITIES COMMISSION DISTRICT OFFICES

<u>City & Zip Code</u>	<u>Address</u>	<u>Local Telephone No.</u>	
SAN DIEGO 92101	State Building 1350 Front Street Room 4006	(619) 525-4217	
SAN FRANCISCO 94102	505 Van Ness Ave 2nd Floor	(415) 703-1402	
SANTA ANA 92701	2670 N. Main Street Room 370	(714) 558-4151	470 (Con- clud- ed)
SANTA BARBARA 93101	411 East Canon Perdido Room 6	(805) 564-7727	
SANTA ROSA 95404	State Building 50 "D" Street Room 455	(707) 576-2170	
STOCKTON 95202	31 E. Channel Street Room 417	(209) 948-7734	
VAN NUYS 91401	6150 Van Nuys Blvd. Room 315	(818) 901-5022	

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IDENTIFICATION OF ISSUES
ENTERING 1991 PHASE II PROCEEDING

I. Combined Phase II Issues

A. Limited Rehearing Issues (from Decision 91-04-030)

1. What alternative published indices or reports, if any, should be used to update the cost components of the Minimum Rate Tariff 4-C rates (so as to yield new maximum rates) and what values from such indices or reports should be used?
2. What alternative time periods, if any, should be used to escalate the cost components of the interim maximum rate tariff to account for inflation and what are the values that should be used?
3. To what extent, if any, does the Proposition 111 cost component of the interim maximum rate tariff fail to include the cost of fuel taxes and vehicle weight fees which became effective on January 1, 1991 and what values should be used to fully account for the necessary costs?
4. How should maximum rates account for overtime hours and what are the values that should be used?
5. Is there any reason why the maximum fixed rate should be more than 10% above the basic cost-justified rate, in order to allow carriers the pricing flexibility needed for shipments with abnormally difficult origins and destinations, route and time-of-day restrictions, and other circumstances which might result in extraordinary shipping costs, and if so, what should the margin above the basic cost justified rate be?

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B. Further Pre-implementation Hearing
Issues (from Decision 91-04-030)

1. What interim methodology should be used, and components included, in establishing interim maximum rates, if different than the method adopted in Phase I?
2. What changes to the level of interim maximum rates should be made?
3. What changes need to be made, if any, in providing for maximum rates above the maximum fixed rates set in Maximum Rate Tariff (MAX) 4 (e.g., should maximum rates be allowed to exceed the maximum fixed rate level if the estimate is made in writing no less than 10 days before the move; does a provision need to be added to let carriers set maximum rates above the maximum fixed rates if the shipper first contacts the carrier less than 10 days before the move; if abuses of a less than 10-day provision occur, can they be effectively controlled; is the risk of abuses by a less than 10-day provision greater or less than the benefit of service to some shippers who might otherwise be denied service)?
4. What changes if any are needed to the "Contract for Move" form and procedure for its completion (e.g., should the carrier be required to include a ceiling price and sign the form no less than three days before the move begins)?
5. Is the current ceiling price requirement too costly to implement and what alternatives would provide sufficient consumer protection?
6. Should the Commission allow binding estimates or guaranteed prices instead of a ceiling price, or both?

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7. What changes should be made to simplify or improve the documentation requirements?
8. Should the \$100 assessment (for failure to give the "Important Information for Persons Moving Household Goods" booklet, or obtain a signature that the shipper already has one) and the 30% adjustment from maximum rates (for a carrier not completing the "Contract for Move") be increased or decreased?
9. What should be the level of basic valuation (e.g., \$20,000)?
10. What should valuation charges be, including those for valuations in excess of the basic level and for full value protection?
11. Should minimum charges (e.g., hours, weights, packing materials) continue to be allowed, or should some limits be placed on minimum charges?
12. Should the noncontroversial technical tariff revisions recommended by Transportation Division be adopted?
13. Should we require carriers to inform customers who receive estimates more than ten days ahead if the price quoted is greater than that derived under maximum fixed rates, and if so, how much greater?
14. What changes, if any, should be made to our new program to make the relationship between carriers and shippers less adversarial?
15. How should rates account for the cost of moving pianos, packing shipments, and short-notice moves?

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C. Antitrust Issues (added by
Administrative Law Judge's Ruling)

1. What, if any, specific state antitrust law(s) would be violated by operations of van lines under MAX 4? What, if any, specific federal antitrust law(s) would be violated by operations of van lines under MAX 4?
2. What specific van line action places or might place van lines in violation of the law(s), with specific reference to the particular law(s)?
3. If specific van line action in compliance with Decision (D.) 90-12-091 violates state and/or federal antitrust law(s), what specific alternatives are available to van lines to enable continued operations? Can van line agents publish their own prices for their products and services to be used by booking agents in a manner that complies with the law and a maximum rate program?
4. Does Allied or any other van line operate in any state that does not regulate rates by a system of minimum rates but wherein specific immunity from state and federal antitrust law(s) is not provided? If so, what actions does the van line take, and how are van line operations undertaken, to comply with antitrust law(s) without minimum rates?

II. Phase III Issues (from D.91-04-030)

1. What final methodology should be used, and components included, in establishing and updating final maximum rates?
2. What changes to the level of interim maximum rates should be made to establish final maximum rates?

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3. Should carrier-filed maximum rates be allowed, and if so, under what terms and conditions?
4. What changes, if any, should be made to increase the effectiveness of the Commission's enforcement efforts against both unlicensed, illegal carriers and permitted carriers not complying with our program?
5. How can California Moving and Storage Association, National Moving and Storage Association, National Institute of Certified Moving Consultants, and the Commission work together to promote the best qualities within the industry?
6. Should all carriers be retested to retain operating authority after a fixed deadline given our new program?
7. Should valuation charges be bundled or unbundled in maximum rates?
8. Should informed shippers be allowed to waive all consumer protections in the maximum rate program, and if so, how would that be accomplished?
9. Should the "Contract for Move" be useable to cover several moves?
10. Should the carrier be subject to a penalty for failure to conduct the move on the date agreed for shipments weighing less than 5,000 pounds and/or transported less than 75 constructive miles. Should the Commission specify the level of liquidated damages a carrier may assess a shipper if the shipper cancels an agreed-upon move without adequate notice?
11. Should the distance table (constructive miles) be abandoned, with maximum rates

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based on actual miles. Should carriers be allowed to charge based on hours for shipments over 50 miles?

12. Should the cost of estimates be bundled in maximum rates (and estimates made for free when the carrier agrees to make an estimate) or should the cost be unbundled and charged separately. If unbundled, should the carrier be authorized to waive the estimating cost if the shipper selects the carrier for the move. Should the cost carriers may assess for estimates be subject to a maximum rate?
13. What carrier performance report efforts should the Commission undertake. What consumer outreach efforts should the Commission undertake?
14. Should carriers be given a certain number of days to settle a loss and damage claim?

(END OF ATTACHMENT C)

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Page 1

SUMMARY OF SETTLEMENT

Decision (D.) 91-04-030 establishes 5 issues for rehearing, 15 issues for further pre-implementation Phase II hearings, and 14 issues for Phase III hearings. Four parties (California Moving and Storage Association (CMSA), Tri Valley Transportation & Storage Company, California Manufacturers Association, and Division of Ratepayer Advocates) propose a settlement of all of the issues set for rehearing, and most of the issues set for further Phases II and III hearings. The settlement documents are Exhibits 105 and 105-A. In summary, the settlement provides for the following items.

I. REHEARING AND PHASE II FURTHER
PRE-IMPLEMENTATION HEARING ISSUES

1. RATE LEVELS

- a. Escalation: Maximum Rate Tariff (MAX) 4 rates are to be set at the levels in Minimum Rate Tariff 4-C plus the change in the consumer price index for all urban consumers (CPI-U) for the average of San Francisco and Los Angeles, for the period February 1986 to the latest available index at the time of the decision.
- b. Extra Helper Base Wages: Set equal to the helper base wages in the cost-datum plane for hourly rates.
- c. 10%: A factor of 10% is added to the results of the above calculations to establish maximum rates, except for packing materials rates.
- d. Packing Materials Rates: Set at the values in the Household Goods Carriers' Bureau Tariff HGB 400-G, Item 106, for the cartons currently specified in MAX 4.
- e. Overtime: Maximum rates are set to account for conditions when the carrier must pay

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overtime to employees. Overtime should be treated differently for hourly and distance rates. Rates should include overtime before the CPI-U and 10% are applied.

(1) Hourly: Overtime rates are based on the overtime pay differentials in the latest Industrial Welfare Commission's (IWC) Wage Order No. 9-90. MAX 4 specifies that overtime rates can apply when the carrier is required to pay overtime pursuant to IWC Wage Order No. 9-90. Three maximum rates are established:

(a) Straight time.

(b) Time and one-half (workers' base pay increased by 50% in the cost-datum plane).

(c) Double-time (workers' base pay increased by 100% in the cost-datum plane).

(2) Distance (except piece rates): Overtime is factored into the labor cost portions of the rates, increasing labor factors 9.55% for local driver, 6.27% for intercity driver, and 8.57% for helper labor costs.

f. Piano and Organ Rates:

(1) Exclude pianos and organs not capable of being conveniently hand-carried by one person from Item 330, Piece Rates.

(2) Add to Item 164, light and bulky articles:

*Pipe Organs, Grand Pianos, Harpsichords and all other types of pianos and organs (any size, excluding portable organs, pianos or

ATTACHMENT D
Page 3

harpsichords capable of being conveniently hand-carried by one person). Maximum rate: \$58.10."

(3) Flight and long-carry charges shall be as specified in HGB Tariff 400-G, Item 135 (effective June 1, 1990), summarized below:

(a) Inside a building:

(i) First flight:
maximum rate \$18.65.

(ii) Each additional flight:
maximum rate \$9.35.

(b) Outside a building:

(i) First flight (8 to 20 steps):
maximum rate \$18.65.

(ii) Each additional step over 20 steps:
maximum rate \$0.52.

2. RATES GREATER THAN MAXIMUM FIXED RATES

a. Maximum fixed rates may be exceeded only when:

(1) A written estimate has been given, and

(2) The estimate is issued three days or more before the move.

b. Maximum fixed rates may not be exceeded when the move arrangements are made less than three days before the actual moving day.

c. Carriers may establish minimums (e.g., hours, weight, packing materials) which may

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result in actual charges being greater than the maximum fixed rates.

- d. Carriers who issue written estimates more than three days in advance of the move and whose quoted price is greater than that derived under the maximum fixed rates are required to inform the shipper how much greater the price will be.

3. CONTRACT FOR MOVE

The Contract for Move is simplified and revised:

- a. The title should be changed, with the recommended title being "Agreement for Service."
- b. The Agreement may be combined with the bill of lading (freight bill) on a single page, as long as all the required information is clearly stated.
- c. A separate page is attached to the Agreement to help inform the shipper of consumer protections. The sole purpose will be to allow shipper acknowledgement, in writing, of receipt of information and acceptance or waiver with respect to:
 - (1) Important Information Booklet: The booklet must be provided unless the shipper specifically acknowledges that he or she already has one.
 - (2) Maximum Fixed Rates Exceeded: Written shipper consent to exceed maximum fixed rates showing the shipper was informed of the amount of the charge over the maximum fixed rates.
 - (3) Valuation: Valuation options and charges shown, with the shipper's handwritten statement of valuation.

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(4) Waiver of Advance Issuance of Agreement: The shipper may waive the requirement that the Agreement be provided no less than 3 days before the move; if the commitment to move (e.g., booking date) is less than 3 days before the move begins, the shipper must indicate this on the document and the 3-day requirement for the Agreement does not apply.

4. \$100 ASSESSMENT/30% REDUCTION

- a. \$100 Assessment: The \$100 assessment in D.90-12-091 is retained, to be applied against the carrier actually providing service for failure to give the "Important Information Booklet," or obtain a signature that the shipper already has the booklet.
- b. 30% Reduction: Consistent with the intent of D.90-12-091, a meaningful adjustment is applied from maximum fixed rates for failure to complete documentation (MAX 4, Item 28). The adjustment will reduce transportation charges to the base level (the level before the CPI-U plus the 10% increase). The adjustment factor will apply to all rates.

5. MINIMUM CHARGES

Minimums should be allowed, subject to change orders.

6. NONCONTROVERSIAL TECHNICAL TARIFF REVISIONS
RECOMMENDED BY THE TRANSPORTATION DIVISION

- a. Most of the Transportation Division's (TD) recommended noncontroversial technical tariff revisions are accepted, but for the following:
 - (1) Item 92, paragraph 13, note 2 should read: "Cartons containing lamp shades will be deemed to weigh 10 pounds."

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- (2) Item 470, page 85, 3rd paragraph, last sentence should read: "Once you have the names of several movers or moving companies you may call the PUC at 800-FON-4PUC (1-800-366-4782) to determine whether the carrier is a licensed carrier."
 - (3) Item 128, exception 2: the appropriateness of the language proposed by TD is not agreed upon among the parties.
 - (4) Item 350: delete the entire item, not just the maximum charge.
 - (5) Item 450, page 80 bottom right: replace "...a total of \$20,000..." with "Actual Cash Value up to \$20,000..." Charging for valuation and how it is described in Item 450, plus default valuation in Item 28, are contested issues, and the language is not agreed upon by the parties.
- b. The parties also propose adding a paragraph five to Item 16:
- "5. The unit(s) of measurement specified and agreed to in the Contract for Move ("Agreement for Service") shall govern the application of rates for the shipment."

7. LESS ADVERSARIAL RELATIONSHIP

The recommendations in the settlement make the program less adversarial between the carrier and shipper.

II. PHASE III ISSUES

1. ENFORCEMENT EFFORTS

Enforcement efforts should be directed at educating licensed carriers during the first few months of the

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program. Although specific infraction and carrier intent should govern, punitive actions should consider newness and differences in the program. After retesting is complete, stricter enforcement should become a priority. Warnings for noncompliance could be issued to carriers violating program provisions during the "educational" phase, as indications of compliance and enforcement activity and carrier instruction.

CMSA could work with Commission staff to flush out unlicensed carriers, as well as licensed carriers who violate program provisions. Enforcement against unlicensed operators should be given high priority, including cutting off telephone service of unlicensed advertisers.

Compliance and Enforcement Branch should keep detailed records of all enforcement actions, including informal complaints, as to the nature of the problem and specific infractions in order to determine the "bad apple" carriers. This should be done in a manner that would allow easy tracking of enforcement activity, carrier-by-carrier. This information could be used in development of carrier performance reports.

2. RETESTING CARRIERS

Existing carriers should be retested within six months to one year after the interim program goes into effect, and the new test is completed.

3. INFORMED SHIPPER WAIVER

Shippers should be allowed to waive certain consumer protections, as provided on the separate page attached to the Agreement (discussed in Rehearing and Phase II Issues, item 3.c above).

4. CONTRACT FOR MOVE TO COVER SEVERAL MOVES

For a multiple, or repeat shipper, a single "master agreement" may suffice to allow abbreviated documentation for individual moves. The Contract for Move, or "Agreement for Service," may refer to the "master agreement" for terms and conditions. A note to explain

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the master agreement provision should be added to the MAX 4 tariff, and where specific notations, agreements or signatures are required (e.g., Item 136; Item 128; Item 88, paragraph 9). The note should indicate that the master agreement will satisfy the requirements of MAX 4 if the master agreement accomplishes the purposes of MAX 4, does not violate the intent of MAX 4, and if the shipping document references the master agreement where appropriate. The master agreement may be cancelled on one day's notice by either party.

5. DISTANCE TABLE AND HOURLY RATES FOR MOVES OVER 50 MILES

The distance table is to be retained (DT-8, constructive miles).

The existing distance limitation on hourly moves should be increased from 50 constructive miles to 100 constructive miles.

6. COST OF ESTIMATES BUNDLED IN MAXIMUM RATES

The cost of estimates should be bundled in maximum rates and estimates should be provided at no separate charge.

(END OF ATTACHMENT D)

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GENERAL ORDER 136-C
(Supersedes General Order 136-B)

PUBLIC UTILITIES COMMISSION OF THE
STATE OF CALIFORNIA

RULES AND REGULATIONS FOR HOUSEHOLD GOODS CARRIERS ON
CARGO INSURANCE AND RULES CONCERNING LIABILITY FOR LOSS AND
DAMAGE OF USED HOUSEHOLD GOODS AND RELATED PROPERTY DURING
COURSE OF TRANSPORTATION OR STORAGE IN TRANSIT

Adopted May 8, 1992, effective September 1, 1992
(Decision 92-05-028 in I.89-11-003)

1. Every household goods carrier, shall provide and continue in effect, so long as it may be engaged in the transportation of used property under the provisions of Maximum Rate Tariff 4, adequate protection in the amount of not less than \$20,000 per shipment, unless a lesser amount has been authorized by formal Commission action, to compensate a shipper or consignee for any loss or damage to property for which the carrier may be held legally liable in connection with the transportation service performed under Maximum Rate Tariff 4.
2. In the event a carrier elects to assume responsibility for a shipment in an amount which exceeds the cargo insurance which it has obtained, the carrier must, prior to the commencement of its service, have in its possession written acknowledgement from its insurance carrier that sufficient additional cargo insurance has been obtained to cover the responsibility to be assumed.
3. The protection required under Section 1 shall be evidenced by the deposit with the Public Utilities Commission, covering each vehicle used or to be used in conducting the service performed by each carrier, of a certificate of cargo insurance, issued by a company licensed to write such insurance in the State of California, or by nonadmitted insurers subject to Section 1763 of the Insurance Code, in lieu of the original policy if such a policy meets the rules

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promulgated therefore by the Commission, or of a bond of a surety company licensed to write surety bonds in the State of California.

4. The policy of cargo insurance under Section 1 shall include the following provisions:
 - a. That the policy of insurance, or surety bond, shall not be cancelable on less than thirty (30) days' written notice on Commission authorized forms to the Public Utilities Commission, such notice to commence to run from the date notice is actually received at the office of the Commission.
 - b. That the cargo insurance coverage for any shipment which is picked up prior to cancellation or termination of the policy shall continue to be applicable until the service provided under Maximum Rate Tariff 4 for any such shipment has been completed.
 - c. Automatic reinstatement of coverage following each loss so that there is no diminution of the coverage during the effective period of the policy.
 - d. That insurance company shall pay, within the limits of the policy hereinafter provided, any shipper or consignee for all loss of or damage to property belonging to such shipper or consignee, and coming into possession of the carrier in connection with its transportation service, for which loss or damage the carrier may become legally liable, regardless of whether the carrier's facilities used in connection with the transportation of property hereby insured are specifically described in the policy or not. The liability of the insurance company extends to such losses or damages, whether occurring on the route or in the territory authorized to be served by the carrier or elsewhere.

Within the limits of liability hereinafter provided, it is further understood that no condition, provision, stipulation or limitation contained in the policy, or any other endorsement thereon or violation thereof, shall affect in any way the right of any shipper or consignee, or relieve the insurance company from liability for any claim for which the carrier may be held legally liable to

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compensate shippers or consignees, irrespective of the financial responsibility or lack thereof or insolvency or bankruptcy of the carrier. The carrier agrees to reimburse the insurance company for any payment made by the insurance company on account of any loss or damage involving a breach of the terms of the policy and for any payment that the insurance company would not have been obligated to make under the provisions of the policy.

- e. That the carrier shall notify the insurance company within a reasonable time, which shall not exceed thirty (30) days, of receipt of notice of each claim which may result in a liability in excess of any deductible provided in the policy, provided, however, that failure to timely file such notice shall not relieve the insurance company of its liability under subparagraph 4.d.
 - f. That the insurance company shall have the right to adjust and settle any claim for loss or damage to a shipment which shall, or will likely, result in a liability in excess of the agreed deductible.
 - g. That the cargo liability shall insure the carrier's liability for all physical losses or damage from external cause while being transported or held in storage-in-transit under Maximum Rate Tariff 4, except that policy may contain the exclusions set forth in paragraph 7.
 - h. That the policy of insurance or surety bond shall remain in full force and effect until canceled in the manner provided by Section 4.a.
5. The policy of cargo insurance required under Sections 1 and 2 shall not contain a rule of coresponsibility or coinsurance which would reduce the liability of the carrier for loss or damage to an amount represented by the relationship that the declared value bears to the actual value of the shipment.
 6. No carrier or any employee, agent, or representative thereof shall sell or offer to sell or procure for any shipper any kind of insurance under any type of policy covering loss or damage to a shipment or shipments of household goods during the course of transportation or storage-in-transit by such carrier, but this section shall not preclude such a carrier from procuring in its own name insurance covering its

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liability for such loss or damage as required under Sections 1 and 2.

7. The liability of a carrier shall be limited by the following exclusions:
- a. No liability shall be provided for the condition or flavor of perishable articles.
 - b. No liability shall be provided on the following items, unless the item is specifically listed on the shipping document by description and value: bills of exchange, bonds, bullion, precious metals, currency, deeds, documents, evidence of debt, credit cards, firearms (see Note 1), money, gems, jewelry, watches, precious stones, pearls, gold, silver, or platinum articles (see Note 2), stock certificates, securities, stamp collections, stamps (postage, revenue, or trading), or letters or packets of letters.

Note 1. Liability shall be provided for firearms legally acceptable under the Federal Gun Control Act of 1968, provided that shipper furnishes to the carrier the caliber, make, and serial number of such firearms and that such firearms are packed by carrier at shipper's expense at charges not more than those shown in Maximum Rate Tariff 4.

Note 2. Includes gold, silver, and platinum household articles such as silverware, coffee-service sets, trays, candlesticks, and dishes.

- c. No liability shall be provided or loss or damage to articles of extraordinary value except under circumstances where each such article is specifically listed on the carrier's shipping document or inventory of the shipment and specifically designated as an article of extraordinary value and by listing the value thereof, and carrier is afforded the opportunity prior to pickup of the shipment to pack and otherwise provide adequate protection for such article (at carrier's published charges) if the packing by shipper is determined by carrier to be inadequate protection for such article. As used herein, the term "articles of extraordinary value" refers to those articles tendered to a carrier for transportation which because of

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uniqueness or rarity have a value substantially in excess of the cost of newly manufactured items of substantially the same type and quality apart from such uniqueness or rarity, such as, but not limited to, musical instruments of rare quality or historical significance; original manuscripts, first editions, or autographed copies of books; antique furniture; heirlooms; paintings; sculptures, and other works of art; and hobby collections and exhibits.

- d. No liability shall be provided for loss or damage caused by or resulting from:
1. An act, omission, or order of shipper, including damage or breakage resulting from improper packing by shipper.
 2. Insects, moths, vermin, ordinary wear-and-tear, or gradual deterioration.
 3. Defect or inherent vice of the article, including susceptibility to damage because of atmospheric conditions such as temperature and humidity or change therein.
 4. (I) Hostile or warlike action in time of peace or war including action in hindering, combating, or defending against an actual impending or expected attack:
(A) by any government or sovereign power, or by any authority maintaining or using military, naval, or air forces; (B) by military, naval, or air forces; or
(C) an agent of such government power, authority, or forces; (II) any weapon of war employing atomic fission or radioactive force whether in time of peace or war; (III) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating, or defending against such an occurrence, seizure, or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.
- e. No liability shall be provided for the mechanical or electrical derangement of pianos, radios, phonographs,

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clocks, refrigerators, television sets, automatic washers, or other instruments or appliances unless evidenced by external damage to such equipment, or unless said articles or appliances are serviced as provided in subparagraph (1) below. The carrier reserves the right to inspect these articles or appliances to determine whether they are in good working order before accepting them for shipment. Carrier assumes no liability whatsoever for returning, refocusing, or other adjustments of television set unless such services were made necessary due to carrier's negligence.

1. Upon request of shipper, owner, or consignee of the goods, carrier will, subject to subparagraph (2) below, service and unservice such articles as stoves, automatic washers, and dryers at origin and destination. Such servicing and unservicing does not include removal or installation of articles secured to the premises or plumbing, electrical, or carpentry services necessary to disconnect, remove, connect, and install such articles and appliances.
 2. If carrier does not possess the qualified personnel to properly service and unservice such articles or appliances carrier, upon request of shipper or consignee or an agent for them, shall engage third persons to perform the servicing and unservicing. When third persons are engaged by the carrier to perform any service, the carrier will not assume responsibility for their activities or conduct; amount of their charges; nor for the quality or quantity of service furnished.
 3. Except in instances where prior credit has been arranged, all charges of the third persons must be paid directly by the shipper to said third persons.
- f. No liability shall be provided by virtue of any loss or damage caused as a result of any strike, lockout, labor disturbance, riot, civil commotion, or any act of any person or persons taking part in any such occurrence or disorder.

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- a. Coverage of \$0.60 per pound per article shall be included in the rate without additional or separate charge.
 - b. Unless the shipper elects \$0.60 per pound per article, or some other value in his or her own handwriting, all shipments shall be released to actual cash value up to \$20,000.
 - c. Shipments released to a declared value in excess of \$0.60 per pound may be subject to a valuation charge at the rate specified by the carrier. If the carrier fails to specify a rate, the rate is \$0.00 (zero) per \$100 of valuation. All valuation charges may not exceed those provided in Item 136 of Maximum Rate Tariff 4 for each \$100 or fraction thereof of the declared shipment value.
 - d. Shipments may be released to full replacement value as provided by terms and rates in Item 136 of Maximum Rate Tariff 4.
13. Where the shipper is the employer of the actual owner of the household goods being transported and is responsible for all charges in connection with such a move, the shipper may instruct the motor carrier to release the shipment to either a value of greater than or less than \$20,000 either by (a) specification made on a purchase order, or (b) issuing, in advance of the shipping date, an appropriate letter of instructions to the carrier. In such instances, the motor carrier may incorporate the instructions by reference to the document in (a) or (b) above in the shipping document in lieu of the personal signature and handwritten statement.

Approved and dated May 8, 1992, at San Francisco, California.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

By NEAL J. SHULMAN
Executive Director

(END OF ATTACHMENT E)

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TRANSPORTATION DIVISION TASKS

Transportation Division (TD) is asked to do the following:

I. MEETINGS

- A. Conduct public meetings throughout the state to inform the public on the new interim maximum rate program Maximum Rate Tariff (MAX) 4, answer questions, and discuss program implementation.
- B. Conduct meetings within 60 days from the effective date of this decision.

II. EXAMINATION

- A. Prepare a new entrance examination by August 1, 1992.
- B. Apply a uniform time limit on the time the applicant has to complete the examination.
- C. Retest all carriers with existing household goods operating authority (who wish to retain their operating permit) by April 30, 1993.

III. ARBITRATION PROGRAM

- A. Select an arbitrator or arbitration association:
 - 1. Issue request for proposals within 90 days of this order, indicating the proposals are due within 30 days.
 - 2. Select an arbitrator or arbitration association within 30 days of receipt of proposals and prepare a resolution for Commission ratification of their recommendation.
 - 3. Prepare a brochure summarizing the arbitration pilot program for carriers and shippers within 30 days of the Commission's

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selection of an arbitrator or association,
and mail to all MAX 4 subscribers.

4. Have the program in place within 60 days of Commission selection of the arbitrator.

B. Prepare a report analyzing arbitration

1. To address:

- a. Alternatives.
- b. Expected number of arbitrations.
- c. Estimated costs and benefits.
- d. Funding alternatives.
- e. Recommendations on implementing one or more alternatives.

2. Due: 4 months after the completion of pilot arbitration program; served on service list to this investigation and Docket Office (original and 12).

IV. CARRIER PERFORMANCE REPORTS
AND CONSUMER PROTECTION MEASURES

A. Prepare a report to address:

1. Carrier Performance Reports

- a. Data carriers now collect for Interstate Commerce Commission, themselves or others.
- b. Data the Commission should collect.
- c. How the accuracy of the data can be verified.
- d. How the data should be used and distributed to shippers and carriers.

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- e. Cost and benefit of the data collection and distribution.
 - f. Reasonable alternatives.
 - g. Recommendations.
2. Consumer Protection Measures
- a. What outreach efforts should be undertaken.
 - b. Estimate of costs and benefits.
 - c. Reasonable alternatives.
 - d. Recommendations.
- B. Due: Preliminary report dated July 19, 1991.
- First workshop held August 28, 1991. Final report due within 3 months of final workshop; served on parties on service list to this investigation and filed with Docket Office (original and 12).

V. ENFORCEMENT

- A. Prepared a report to address:
- 1. Jurisdiction (what we can and cannot do).
 - 2. Status (including relevant historical and current enforcement statistics).
 - 3. What level of staff is now devoted to this effort.
 - 4. What level of staff, new legislation, and funds are needed to accomplish the objectives established in this decision.
- B. First report filed March 12, 1991; follow-up report to be issued by March 19, 1992; served on service list to this investigation and filed with Docket Office (original and 12).

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VI. MONITORING

A. Prepare quarterly report:

1. To use measures available, including as many of the following as possible:
 - a. The number and change in the number of permits we have issued.
 - b. The number and change in the number of active (nonsuspended) carriers.
 - c. The number and change in the number of complaints, by complaint type, including:
 - (1) Cases where carriers exceed maximum fixed rates without the provision of an estimate made at least three days before the move.
 - (2) Documented cases of confusion between the three-day provision to exceed maximum fixed rates (upon issuance of a written Estimate after on-site inspection) and the three-day provision to issue the agreement.
 - (3) Cases where carriers and/or shippers have been confused between the ability of the shipper to waive the three-day advance receipt requirement to have an Agreement, and the prohibition against exceeding maximum fixed rates less than three days before the move begins (e.g., the Estimate may never be waived.)

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- (4) Cases of confusion about the advance notice of Agreement waiver; that is, do shippers understand they are waiving the three-day advance notice requirement only, and that the completed Agreement must be delivered on the date of the move.
 - d. Any measures on whether the Not To Exceed Price prepared on the day of the move is serving the desired consumer protection role, and whether a requirement for the Not To Exceed Price some fixed number of days before the move begins would enhance consumer protection.
2. Include in one quarterly report per calendar year:
- a. The average price and change in the average price of an intrastate move with a regulated carrier.
 - b. Any measures of impact on labor.
 - c. Any measures of impact on carrier profitability.
 - d. How many cases are there of carriers exceeding maximum fixed rates (actual number and as a percent of total moves in the period.)
3. Due: every 90 days after interim rates are effective (within 30 days of close of the quarter); filed with the Docket Office (original and 12), and served on California Moving and Storage Association, Division of Ratepayer Advocates, and any party that asks to be served (on a distribution list maintained by TD).

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B. Prepare comprehensive report:

1. To gauge the impact of the maximum rate program in reaching the Commission's goal and regulatory objectives, including as much of the following as possible:
 - a. What impact has there been, if any on competition (e.g., numbers of carriers, concentration ratios, Herfindal-Hirschman index).
 - b. Has the total number of intrastate moves changed; has the number of intrastate moves performed by regulated movers changed.
 - c. Has the average price for an intrastate move performed by a regulated carrier increased, or decreased, or remained the same.
 - d. Have the numbers of complaints (by complaint type) increased, decreased, or remained the same.
 - e. What impact has there been on economic efficiency.
 - f. Has service quality and availability increased, decreased, or stayed the same.
 - g. Has the capacity increased, decreased, or remained the same.
 - h. Have the number of accidents increased, decreased, or remained the same.
 - i. What has been the effect on wages, benefits, numbers of jobs, and any other measures of labor impact for employees of regulated carriers.

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- j. What has been the impact on the number of carriers, sources of revenue, affiliations with national organizations, revenues, expenses, assets, liabilities, operating ratios, returns on equity, and/or any other measures of the health of the industry and carriers.
 - k. What has been the impact on van lines of the maximum rate program.
 - l. Have the financial statistics for the industry changed.
 - m. Has there been any trend toward mergers and acquisitions.
 - n. Has the number of subhaulers and moves carried by subhaulers increased, decreased, or remained the same.
2. Due: Six months after the data is collected over a sufficient period of time (2 years of data); filed with Docket Office (original and 12) and served on any party that asks to be served (on a service list maintained by TD).

(END OF ATTACHMENT F)

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REVISED PHASE III ISSUES

We identify the following issues for Phase III:

1. Final Methodology:
 - a. What final methodology should be used, and components included, in establishing and updating final maximum rates?
 - b. What should be the procedure for updating maximum fixed rates?
2. Rate Recommendations:
 - a. What should be the level of the final maximum fixed rates?
 - b. What should be the level of final maximum fixed rates (transportation and storage-in-transit) if basic valuation charges (i.e., actual cash value up to \$20,000) are bundled in the maximum fixed rates?
 - (1) What should be the separately assessed (unbundled) valuation rates for actual cash valuation coverage for values greater than \$20,000?
 - (2) What should be the unbundled rate for full value protection valuation coverage with no deductible; a \$250 deductible; and a \$500 deductible?
 - c. If the rate should be other than zero, what should be the rate for default valuation (\$20,000) if the carrier fails to enter a rate per \$100 on the Agreement?
 - d. What should be the rates if a carrier fails to properly and fully complete the required forms?

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3. Estimate and Waiver of Agreement:

- a. Do the benefits exceed the costs (e.g., confusion) of allowing written estimates to exceed maximum fixed rates no less than 3 days before the day of the move when it is the same 3-day requirement for carriers to provide the Agreement to the shipper?
- b. Is there confusion regarding the waiver of the three-day (i.e., advance notice) requirement for the Agreement not being a waiver of the Estimate form for rates to exceed maximum fixed rates?
- c. Is there confusion regarding the waiver of the three-day (i.e., advance notice) requirement for the Agreement never being a waiver of the completed Agreement (with the completed Agreement to be issued before the move begins no later than the day the move begins)?

4. Valuation:

- a. What are the reasons for and against including (bundling) basic valuation (i.e., actual cash value coverage for loss and damage up to \$20,000) in the maximum fixed rate without additional charge?
- b. Should valuation charges be bundled or unbundled in maximum rates?

5. Documentation:

- a. What specific changes should be made to simplify or improve the documentation requirements? Specific revised model forms and booklet with the party's recommended wording is to be included with each party's answer to this question.
- b. Should we require that the Agreement and Freight Bill be combined on one document?

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- c. How should the Important Information Booklet treat the Commission's toll-free 800 telephone number?
 - d. Should carriers be allowed to combine the Estimate and Agreement forms, or should those forms be required to be separate documents to promote understanding that they are different?
6. **Carrier-Filed Rates:** Should carrier-filed maximum rates be allowed, and if so, under what terms and conditions?
7. **Promote Best Qualities:** How can the California Moving and Storage Association, National Moving and Storage Association, National Institute of Certified Moving Consultants, and Commission work together to promote the best qualities within the industry?
8. **Retesting Carriers:** Should all carriers be retested to retain operating authority after a fixed deadline given our final program?
9. **Penalties:**
 - a. Should the carrier be subject to a penalty for failure to conduct the move on the date agreed for shipments weighing less than 5,000 pounds and/or transported less than 75 constructive miles?
 - b. Should the Commission specify the level of liquidated damages a carrier may assess a shipper if the shipper cancels an agreed-upon move without adequate notice?
10. **Distance Table:**
 - a. Should the distance table (constructive miles) be abandoned, with maximum rates based on actual miles?
 - b. If so, how will this impact the maximum fixed rates?

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- c. Should carriers be allowed to charge based on hours for shipments over 100 constructive miles? Or 100 actual miles?
 - d. If constructive (actual) mileage is used, and carriers may charge hourly rates for shipments up to 100 constructive (actual) miles but not beyond (an increase from 50 miles), should Maximum Rate Tariff (MAX) 4 references to 50 constructive (actual) miles in other sections be increased to 100 constructive (actual) miles?
11. Performance Report and Consumer Outreach:
- a. What carrier performance report efforts should the Commission undertake?
 - b. What consumer outreach efforts should the Commission undertake?
12. Loss and Damage Claims:
- a. Should carriers be given a certain number of days to settle a loss and damage claim?
 - b. Should carriers be allowed to charge shippers up to \$53.45 for the carrier to process a loss and damage claim through the carrier's insurance company?
13. Arbitration: What arbitration program should the Commission undertake after the completion of the pilot program?
14. Flight Carry: For consistency, should flight carry in all parts of MAX 4 be changed to conform with that in Item 140 for all pianos and organs not capable of being conveniently hand carried by one person (e.g. the first flight is 8 (rather than 7) but no more than 20 steps), or should Item 140 be changed?
15. The following items are proposed for adoption. Parties are invited to comment, but must provide specific rewording or program alternatives to support any changes. An alternative to an item proposed below must also be supported by addressing how the alternative meets the Commission's regulatory

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objectives for this industry (Decision 90-12-091, pp. 38-9; 38 CPUC 2d 559, 585), especially including consumer protection.

- a. The Consumer Protection and Waiver Attachment to the Agreement will be reworded as presented in Attachment H, with concurrent application of the protections or waivers;
- b. No less than three days before the move begins the carrier must provide the shipper with either a completed Agreement (except for the ceiling price and final carrier signature) or a blank Agreement (so the shipper who elects to waive advance receipt of the Agreement can still see the other standard terms, conditions, and limitations printed on the Agreement and be informed of what items (e.g., written rate quotation) are being waived). The shipper's signature waiving advance receipt of the Agreement may be obtained on the day of the move, but issuance of a fully completed Agreement on the day of the move before the move begins--including the ceiling price--can never be waived;
- c. The three-day requirements (for issuance of the Agreement or Estimate) shall be stated consistently in the tariff as "no less than" three days (e.g., the settlement provision for "...carriers who issue written estimates more than 3 days in advance..." (Exhibit 105, p. 20, answer 13) will be rewritten);
- d. The registered mail, return receipt requested, requirement for mailing of the Important Information Booklet when moves are arranged and confirmed by mail or telephone will be relaxed. We currently require the booklet to be provided (1) on the first in-person contact or (2) by registered mail with return receipt for a move arranged and confirmed by mail or

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telephone. The new requirement is to provide the booklet at the earlier of either (1) the first in-person contact or (2) when the Agreement is given to the shipper. If the Agreement is provided to the shipper by regular mail, the registered mail with return receipt requested requirement is relaxed to a requirement of delivery by regular mail, accompanied by the Agreement;

- e. The Agreement for Service will be renamed: Agreement for Move; and
- f. The Important Information Booklet will be reworded as shown in Attachment H, regarding shippers using the Commission's toll free phone number to call for any information about the maximum rate program and public information on carriers, not just to learn if the carrier is licensed.

(END OF ATTACHMENT G)

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**REVISIONS TO AGREEMENT
AND IMPORTANT INFORMATION BOOKLET**

This attachment contains proposed revisions to (1) the Consumer Protections and Waiver Attachment to the Agreement for Move and (2) the Important Information Booklet

**1. REVISED CONSUMER PROTECTIONS AND WAIVER
ATTACHMENT TO THE AGREEMENT FOR MOVE**

**AGREEMENT FOR MOVE
Consumer Protections and Waiver**

**1. "IMPORTANT INFORMATION FOR PERSONS
MOVING HOUSEHOLD GOODS" BOOKLET**

The California Public Utilities Commission (PUC) requires your carrier (the moving company) to ensure that you (the shipper) have been given the booklet "Important Information for Persons Moving Household Goods." You may choose not to receive a booklet from your carrier if you have received one from another source. Otherwise, your carrier must give you a booklet at the first of either (1) your first in-person contact or (2) when you receive the Agreement for Move (which can be no later than 3 days before the day of the move). You are entitled to an adjustment of \$100 on your final bill if your carrier fails to ensure that you have the booklet when required.

Please initial below to acknowledge you have received the booklet from either (1) another source or (2) your carrier consistent with the first of the two above events.

I have received the booklet _____
(initial)

2. MAXIMUM RATES

The CPUC has established a maximum rate system for the rates a carrier may charge for a move. A carrier may exceed the maximum fixed rates stated in the maximum rate tariff only if you agree to the estimate of higher maximum rates after (1) a written estimate of the cost of the move is provided three days or more before the move begins AND (2) the estimate indicates that maximum fixed rates are to be exceeded and by how much.

If you answer "No" to any of the following questions, maximum fixed rates may not be exceeded. Please initial your response.

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Have you received a written estimate?	Yes_____	No_____
Was the written estimate received three or more days before the move?	Yes_____	No_____
Does the estimate indicate that maximum fixed rates will be exceeded?	Yes_____	No_____
If so, were you told the amount in excess of the maximum fixed rates?	Yes_____	No_____
Do you consent to the amount of charges to be assessed over the maximum fixed rates?	Yes_____	No_____

3. COVERAGE FOR LOSS AND DAMAGE

As explained in the "Important Information..." booklet, there are options available to cover loss or damage to your goods. These options are:

- (a) **Basic Coverage (60 cents per pound per article):**
Recovery is based on 60 cents multiplied by the weight of the article(s). There is no separate charge for coverage under this option, but it is included in the other rates for your move.
- (b) **Actual Cash Value:**
Recovery is based on actual cash (depreciated) value at the time of the loss or damage, up to the total dollar value you declare. There may be a separate charge for coverage under this option.
- (c) **Full Value:**
Recovery is based on full (replacement) value at the time of loss or damage, up to the total dollar value you declare. There may be a separate charge for coverage under this option.

VALUATION DECLARATION

Declare the value of your entire shipment below, in your own handwriting. You must enter \$0.60 per pound if that is the coverage you desire. You may enter a total dollar amount (e.g., \$1,000). If you fail to declare a value, coverage for loss and damage will be the Actual Cash Value up to \$20,000. You may be charged for all coverage provided other than coverage at 60 cents per pound.

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Shipper hereby declares the value
of the entire shipment to be

\$ _____
(To be completed by shipper signing below.)

You MUST initial one transportation option below (plus one storage-in-transit option if you plan storage-in-transit). If you do not, your carrier will charge the rate per \$100 of declared value stated below, for the Actual Cash Value for the declared value you just entered (or if blank, \$20,000). If no rate per \$100 is stated, the rate is \$0 (zero) per \$100 (or fraction thereof) of declared value.

TRANSPORTATION VALUATION OPTIONS	INITIAL YOUR CHOICE	VALUATION CHARGE (per \$100 of declared value)
Basic: 60 cents/lb/article	_____	no additional charge
Actual Cash Value	_____	\$ _____ per \$100
Full Value		
No deductible	_____	\$ _____ per \$100
Deductible of \$250	_____	\$ _____ per \$100
Deductible of \$500	_____	\$ _____ per \$100

STORAGE-IN-TRANSIT VALUATION OPTIONS	INITIAL YOUR CHOICE	VALUATION CHARGE (per \$100 of declared value)
Basic: 60 cents/lb/article	_____	no additional charge
Actual Cash Value	_____	\$ _____ per \$100
Full Value		
No deductible	_____	\$ _____ per \$100
Deductible of \$250	_____	\$ _____ per \$100
Deductible of \$500	_____	\$ _____ per \$100

OPTIONAL: MINIMUM VALUATIONS BASED ON WEIGHT

VALUATION OPTIONS	PER POUND VALUATION MINIMUMS (a minimum \$ valuation per pound)
Basic: 60 cents/lb/article	not applicable
Actual Cash Value	\$ _____ per pound
Full Value Protection	\$ _____ per pound

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4. **ADVANCE ISSUANCE OF AGREEMENT
FOR MOVE (advance notice
requirement)**

Your carrier must complete its part of the "Agreement for Move" and ensure that you have it at least 3 days before the day of the move. Two circumstances release the carrier from this obligation:

1. You arrange for the move on short notice (less than three days before the day the move begins), or
2. You choose to waive the advance notice requirement (waiving receipt of the Agreement with rates filled in, but your carrier must still give you a copy of the blank Agreement).

You must always receive the completed Agreement by the day of the move, even if you waive the advance notice requirement. If you answer "Yes" to either of the following questions you will not receive the completed Agreement until the day of the move. Please initial your response below.

Were arrangements to move made on short notice (less than three days before the day the move begins)? Yes _____ No _____

Do you choose to waive the advance notice requirement? Yes _____ No _____

(Shipper's Signature)

(Date)

**IF YOU HAVE ANY QUESTIONS ABOUT THE CPUC MAXIMUM RATE PROGRAM
THAT YOUR CARRIER CANNOT ANSWER, PLEASE CALL:**

1-800-FON-4PUC
1-800-366-4782

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II. REVISIONS TO THE IMPORTANT INFORMATION BOOKLET

One sentence is to be replaced in the Important Information Booklet (Item 470, page 90; Booklet page 2), in the first paragraph of the section titled "How To Choose A Mover," fifth sentence:

Replace: "Once you have the names of several moving companies you may call the PUC at 1-800-FON-4PUC (1-800-366-4782) to determine whether the carrier is a licensed carrier."

New Sentence: "Once you have the names of several moving companies you may call the PUC at 1-800-FON-4PUC (1-800-366-4782) for information on the moving companies."

(END OF ATTACHMENT H)

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OPERATIVE ORDERING PARAGRAPHS

IT IS ORDERED that:

1. Minimum Rate Tariff (MRT) 4-C is cancelled effective September 1, 1992. Maximum Rate Tariff 4, contained in Attachment B, is adopted effective September 1, 1992.

2. General Order (GO) 136-C and 139-A are adopted effective September 1, 1992 as amended (Attachment E to this decision and Attachment D to Decision (D.) 90-12-091, respectively). GO 136-B and 139 are superseded effective September 1, 1992.

3. Transportation Division (TD) will conform the certification signed and filed by used household goods permit applicants to require the showing specified in Public Utilities Code § 3553, effective for all applications filed 60 days from the date of this order and thereafter. [D.91-04-030, dated April 10, 1991.]

4. A pilot arbitration program as an alternative vehicle to resolve disputes between household goods carriers and shippers will be undertaken. TD will select an arbitrator or arbitration association by competitive bid. TD will issue a request for proposals (RFP) within 90 days of the effective date of this order, indicating in the RFP that proposals are due within 30 days of the release of the RFP. TD will select an arbitrator or arbitration association within 30 days of receipt of the proposals, and prepare a resolution for our consideration of their recommendation. TD will prepare a brochure for carriers and shippers that summarizes our arbitration program within 30 days of Commission selection of the arbitrator or association, with the entire program to be in place within 60 days of Commission selection of the arbitrator.

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The pilot program will run no longer than 12 months after it has begun.

5. TD shall prepare the reports and conduct the workshops as directed in both D.90-12-091 and this decision (summarized in Attachment F). TD shall issue its preliminary consumer performance and consumer outreach report by July 19, 1991; shall conduct a workshop within 2 months of issuing the preliminary report; and issue its final report within 3 months of the final workshop. TD shall issue its follow-up enforcement report by March 19, 1992. These reports shall be served on all parties to Phase II. TD shall prepare a new entry examination by August 1, 1992 and continue its administration, placing a uniform time limit on the time the applicant has to complete the examination. TD shall retest all existing household goods carriers with operating permits by April 30, 1993. Existing permits shall expire on May 1, 1993 for all household goods carriers who fail to pass the examination by April 30, 1993.

6. TD will monitor the safety experience of household goods carriers including where reasonable:

- a. Review of accident and citation rates to determine ways to improve safety;
- b. Reactivate the revenue distribution survey program;
- c. Collect mileage data on private carriers who now register with the Commission for insurance purposes;
- d. Work with the California Highway Patrol (CHP) and other agencies to determine how a Department of Transportation (DOT) carrier identification numbering system could be integrated with the CHP and Commission numbering systems; and

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- e. Explore with the CHP a mandatory follow-up accident report for intrastate motor carrier accidents similar to DOT reports for interstate accidents.

7. TD is directed to use all tools at its disposal to enforce the laws and regulations against illegal operations (both carriers operating without a permit and permitted carriers not in compliance with the law, and our rules and regulations), and bring cases to us and the district attorney for prosecution as appropriate.

8. TD is directed to oversee a consumer outreach effort within our current budget, to include preparation of periodic press releases (in coordination with the Public Affairs Office), training of staff as necessary and placing public service information in appropriate telephone advertising directories.

9. By separate order in those proceedings, Case (C.) 5330, Order Setting Hearing (OSH) 100, and related C.5432, OSH 958 are closed.

10. To the extent not granted by D.91-04-030, California Moving and Storage Association's application for rehearing is denied.

11. A third phase of this investigation is ordered to consider the issues identified in Attachment G. The assigned administrative law judge (ALJ) shall issue a ruling to set a prehearing conference. Parties intending to actively participate in Phase III shall attend the prehearing conference. The service list from Phase II shall be continued into Phase III. At the prehearing conference, the ALJ shall establish procedural ground rules and the schedule, including the time for filing and serving testimony. Parties shall come to the prehearing conference

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prepared to discuss the reasonableness of continuing Phase I and II ground rules into Phase III; their need for discovery; positions on the issues; estimate of time necessary to prepare testimony; scope of their testimony; estimated number of witnesses; proposed schedule; and anything else identified in the ALJ ruling.

12. The executive director shall serve a copy of this order on each subscriber to MRT 4-C, and all appearances in this investigation. The Executive Director shall serve a copy of GO 136-C and 139-A on all carriers subject to these general orders.

(END OF ATTACHMENT I)

I.89-11-003

Commissioner John B. Ohanian, Concurring

My policies for the regulation of the Household Goods industry were articulated in my concurring opinion in D.90-12-091. They have not changed. I support issuing a decision today in order to remove the uncertainty faced by the industry..

There will be dislocations in the industry as it makes the transition from minimum rates to maximum rates. My hope is that the dislocations will be short term and not too severe. I also recognize that there are distortions with the minimum rate framework. These observations are in my earlier concurring opinion.

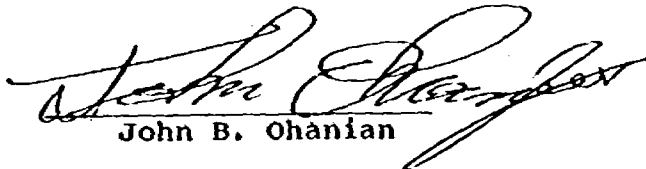
I am pleased that we are committed to continue our efforts to make this transition as smooth as possible as we intended in D.90-12-091. Accordingly, we have directed our Transportation Division to do many tasks before September 1, 1992 and also to monitor the industry in a continuing mode. Most of this work deals with consumer protection issues.

Turning again to the basis for my support, I have looked at the Household Goods industry for almost a year and a half since we issued our decision in Phase I. What I saw was an industry facing considerable uncertainty. Firms can cope with regulations. That is part of their business. What firms have considerably difficulty coping with is uncertainty. When a firm cannot make business plans because it does not know what the "rules of the road" are, it is placed in a terrible situation. Thus I support this decision because we remove the uncertainty of what regulatory framework the household goods industry will have to live with.

I would also like to take advantage of this concurring opinion to offer my thoughts on a collateral yet very important issue.

We here today continue our policy of eliminating minimum rate tariffs. The Household Goods industry does not stand alone. It joins the General Freight industry. Together they represent most of the carriers we regulate. I observe that some transportation industries still remain with minimum rate tariffs, e.g. Dump Trucks, Cement Carriers, and Livestock. In making this observation, I make no prejudgement that all transportation industries should eliminate minimum rate tariffs. The point I wish to make is that we should at least open an investigation and

study whether we should eliminate the minimum rate tariffs in these industries or not. If we were not to do so, it would look very peculiar to have this asymmetrical policy without any basis.



John B. Ohanian

San Francisco, California
May 8, 1992

Norman D. Shumway, Commissioner, concurring:

Today we act to implement our 1990 decision to push the regulation of household goods carriers towards more competition. The adoption of maximum rates for household goods carriers assures a competitive market for these services and an end to the past fifty years of minimum rate regulation. Although the issue of whether to keep minimum rates or adopt maximum rates was not the primary question in this phase of the case, it was repeatedly raised by the industry and other parties, and could not be avoided. In implementing this program we have turned a corner, and do not intend to turn back.

I join with my colleagues in reaffirming that in 1990 the Commission moved in the right direction when it embraced the idea of open competition for this industry. The instant decision awaited judgment by this Commission for several months while we examined and reexamined our chosen course. We carefully reviewed the alternatives: maintaining the status quo; rate windows; floors with discounts; floating minimum rates, and freezes in the minimum rates. For various reasons, none of these options proved viable. In any case, the result would have been a deferral of the action we take today. In the final analysis, there is no better solution for this industry than the introduction of competition in rates and services. We do this by inaugurating maximum rates pursuant to the mandate of Public Utilities Code Section 5191 which requires that the Commission establish or approve rates for the industry.

We are not unmindful of evidence which indicates that business is slow for household goods movers. The recession has taken its toll on the entire economy of this state. Unfortunately, the moving industry has been unduly impacted. Businesses have trimmed budgets, cut down on moves, renegotiated

offers to cover moving costs, or found fewer reasons for relocating employees or offices. Individuals are reluctant to move when the housing market is slow, or when job uncertainty is high. It is not implausible that as a result of the recession, the market for this industry is in a valley rather than a peak, as are many other markets for services.

The escape from the doldrums which pervade this market cannot be had by shrinking within the protective custody of regulated minimum rates. Such an action, it seems to me, would only guarantee a continuing small share of the market for moving household goods, and inevitably result in a decline of innovation to meet changing customer preferences. The better solution consists of efforts to expand the customer base. An increase in the number of people utilizing professional movers will spawn higher profits and greater efficiency in an industry where competition exists.

How can the customer base be expanded, especially if the general economic malaise persists? Most companies, functioning in a competitive environment, stimulate demand for their product by lowering prices and improving services. The program of maximum rates will permit this vital flexibility. The industry has resisted this strategy, countering that consumers don't want lower prices, or at least in the course of our hearings no one stepped forward to protest that prices were too high. But I question if this lack of complaint can be cited as proof that customers would not respond to discounts, or whether instead the silence can be explained in a more credible way.

A unique feature of the household goods moving business is that frequently the bill for the move is paid by someone other than the individual being moved. This is customary in business relocations, military moves, and government transfers. This group of customers would not be inclined to enter a regulatory proceeding to complain of a high bill since the payment obligation is passed on and paid elsewhere. Yet the fact that a

bill is not incurred directly does not mean a price is not being paid at some point along the line. While we did not hear from customers in this proceeding, we did hear from California Manufacturer's Association in support of maximum rates, on behalf of all California businesses. Secondly, users of household goods movers are frequently people with sizeable incomes who are not concerned about cost and who would be unlikely to participate in lengthy regulatory proceedings to complain about high rates. In another category there may also be the elderly, disabled, or other customers without relatives or friends to hire a truck and help them move who may also employ movers, and may also be least able to participate in hearings before this Commission. The real indicator that costs are too high is the number of consumers who simply "opt out" of the marketplace and move themselves, by rental equipment or with the help of friends. Statistics indicate that as many as 80% of all moves fall in this category. Can anyone seriously contend that these potential customers are going to be lured into using professional services by the maintenance of high rates and inflexible kinds of service? Surely the lack of participation in our hearings by individual customers cannot be taken as a valid defense of maintaining the status quo.

The second strategy to increase the customer base is to improve service. The industry claims that price competition will cause a deterioration in the quality of service. Common sense, however, would lead to an opposite conclusion. When faced by a challenge, a competitor will hone its skills and devise new programs and services tailored to a customer's needs. The driving force behind competition is to better serve one's customers than anyone else, at the lowest possible price. This behavior brings in more customers, and results in new products and special programs designed to enhance the productivity of the mover and augment the customer base. These results are well documented in competitive industries, and I have every reason to

expect enhanced quality of service in this field as well. It is a poor substitute to contrive that the lengthy, litigious, calcified process of fixing minimum rates and imposing a standard "one size fits all" service from our regulatory program could be a preferred solution.

Movers emphasize that while minimum rates may be criticized as too high, they never guaranteed a profit to the mover, only a basic rate. I agree that minimum rates do not guarantee bottom line profitability, and that many movers may be struggling to make ends meet even under the "high" minimum rates. But these rates do guarantee payment to the carrier from the customer. If the customer receives sloppy or substandard service he cannot withhold payment, nor can the carrier forgive the bill. If the carrier were to do so, we would prosecute for underlines. It strikes me that this guarantee of payment provides the perfect environment for shoddy operators and even crooks. It encourages marginal operators to try their hand at this trade. Indeed, our enforcement efforts in recent years have been largely directed at the abundance of such operators. Minimum rates have provided no refuge from the existence of such unacceptable practices.

Finally, I am immune to the enthusiasm of participants in this industry for doomsday comparisons with the airline industry and the savings and loan industry. In the eyes of some, their deregulation produced grim consequences. The household goods industry has a regulatory history which is demonstrably different. Banks and airlines encompass vastly dissimilar services, cater to a different market, compete in a different way, and are bound by different federal and state laws. To draw parallels is to compare apples and oranges, in my opinion. Furthermore, I resist usage of the word "deregulation" here because we are moving only from minimum to maximum rates, and intend to enhance the quality of our regulation over consumer safeguards and shoddy operators.

I.89-11-003
D.92-05-028

I am confident that the advent of the household goods maximum rate program will give movers the flexibility they urgently need to build customer base and adapt to the marketplace for moving services. I look forward to the introduction of new services, discounts and other innovations. The result will be increased productivity, efficiency gains, and the flourishing of a troubled industry.


NORMAN D. SHUMWAY
Commissioner

May 8, 1992
San Francisco, California