

ORIGINAL

Decision No. 86833

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
for the purpose of considering and)
determining minimum rates for)
transportation of any and all com-)
modities statewide including, but)
not limited to those rates which)
are provided in Minimum Rate Tariff)
2 and the revisions or reissues)
thereof.)

Case No. 5432
Petition for Modification
No. 926
(Filed November 4, 1976)

OPINION AND ORDER

Minimum Rate Tariff 2 (MRT 2) names rates and rules for the statewide transportation of general commodities by highway carriers. By this petition, California Trucking Association seeks to have MRT 2 amended by establishing therein rates for truckload efficiency service.¹

Petitioner states that its proposal reflects important changes because they enable substantial reductions in freight rates. Petitioner alleges that these changes involve a beginning process of physical separation of the lowest truckload freight rates reflecting the least costly truck services from those which are more intensely service-oriented or inherently more costly for the carrier to perform. Petitioner avers that its proposal promotes greater tariff simplicity through statement of specific rate scales. According to petitioner, the levels of the specific rates are admittedly not related to independent or newly-developed costs but they bear a relationship to existing class rate scales, modified to reflect recent carrier experience and shipper needs.

¹Petitioner also sought to extend the expiration dates governing the provisions for split pickup and delivery services, multiple service shipments and volume incentive services. Decision 86787 dated December 21, 1976, in this proceeding extended such expiration dates.

Petitioner asserts that its proposal does not result in any increases in freight rates or charges for any shipper. Petitioner declares that only reductions are possible for those parties who cooperate with carriers in minimizing the cost of providing service. Petitioner contends that this approach stimulates productivity improvement through reward in contrast to frustration of productivity by disincentiveness.

Copies of the petition were mailed to various chambers of commerce, shipper organizations and carrier representatives on or about November 3, 1976. The petition was listed on the Commission's Daily Calendar of November 8, 1976. No objection to the granting of the petition has been received.

In the circumstances, the Commission finds that petitioner's proposal is reasonable and the resulting rates and charges will be just, reasonable and nondiscriminatory minimum rates and charges for the transportation involved. A public hearing is not necessary. The Commission concludes that the petition should be granted as set forth in the ensuing order and the effective date of this order should be the date hereof because there is an immediate need for this rate relief.

IT IS ORDERED that:

1. Minimum Rate Tariff 2 (Appendix D to Decision 31606, as amended) is further amended by incorporating therein to become effective January 17, 1977, the supplement and original and revised pages contained in Appendix A attached hereto and by this reference made a part hereof.

2. Common carriers subject to the Public Utilities Act, the extent that they are subject to Decision 31606, as amended, are hereby authorized to establish in their tariffs the amendments necessary to conform with the further adjustments herein.

3. Tariff publications authorized to be made by common carriers as a result of the order herein may be made effective not earlier than the first day after the effective date of this order on not less than one day's notice to the Commission and to the public if filed not later than sixty days after the effective date of the minimum rate tariff pages incorporated in this order.

4. Common carriers, in establishing and maintaining the amendments authorized hereinabove, are hereby authorized to depart from the provisions of Section 461.5 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are hereby modified only to the extent necessary to comply with the order; and schedules containing the amendments published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

5. In all other respects Decision 31606, as amended, shall remain in full force and effect.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 5th day of January, 1977.

Robert Belmont
President
William Lyons, Jr.
James L. Steger
Hon.

Commissioners

APPENDIX A

LIST OF SUPPLEMENT AND ORIGINAL AND
REVISED PAGES TO MINIMUM RATE TARIFF 2

SUPPLEMENT			128
FORTY-NINTH	REVISED	PAGE	3
ORIGINAL		PAGE	29-A-7
ORIGINAL		PAGE	29-A-8
ORIGINAL		PAGE	29-A-9
ORIGINAL		PAGE	29-A-10

(END OF APPENDIX A)

SPECIAL INCREASE SUPPLEMENT

SUPPLEMENT 128

(Cancels Supplement 123)

(Supplements 73, 75, 77, 87, 98, 124, 125, 127
and 128 Contain All Changes)

TO

MINIMUM RATE TARIFF 2

NAMING

MINIMUM RATES AND RULES

FOR THE

TRANSPORTATION OF PROPERTY OVER THE

PUBLIC HIGHWAYS WITHIN THE

STATE OF CALIFORNIA

BY

RADIAL HIGHWAY COMMON CARRIERS

HIGHWAY CONTRACT CARRIERS

CEMENT CONTRACT CARRIERS

DUMP TRUCK CARRIERS

AND

HOUSEHOLD GOODS CARRIERS

APPLICATION OF SURCHARGE
(See Page 2 of this Supplement)

Decision No.

86833

EFFECTIVE

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

APPLICATION OF SURCHARGE

Except as otherwise provided, compute the amount of charges in accordance with the rates and rules in the tariff (including any surcharges otherwise applicable) and increase the amount so computed as follows:

1. By six percent (6%) on charges computed upon rates subject to minimum weights of 40,000 pounds and over.
2. By seven percent (7%) on charges computed upon rates subject to minimum weights of 10,000 pounds but less than 40,000 pounds.
3. By eight percent (8%) on all other rates and charges.

For purposes of disposing of fractions under provisions hereof, fractions of less than one-half cent shall be dropped and fractions of one-half cent or greater shall be increased to the next higher whole cent.

EXCEPTIONS.--The surcharges herein shall not apply to:

1. Supplement 75;
2. Deductions in Item 110;
3. The charges in Item 124;
4. Storage and reloading charges in Item 141;
5. Demurrage charge in Item 143;
6. Accessorial charges in subparagraph (b) of Item 145;
7. Advertising on equipment charge in Item 147;
8. C.O.D. charges in Item 182;
9. Temperature control service charges in Items 185-1 through 187-3;
10. Railroad-to-railhead charges used under provisions of Items 200 through 230;
11. Column 2 forklift charge in Item 260;
12. Parcel delivery charges in Item 265;
- *13. Charges for volume incentive service in Item 292;
- *14. Charges for special volume incentive service in Items 293 and 293.1;
- *15. Charges for premium volume incentive service in Item 293.2;
- *16. Charges for multiple utilization of equipment in Item 293.3; and
- *17. Charges for truckload efficiency service in Item 293.4.

THE END

o Change)
* Addition) Decision No.

86833

TABLE OF CONTENTS (Concluded)	ITEM (Inclusive)
RULES OF GENERAL APPLICATION (Section 1) Concluded:	
Application of Tariff-Territorial-----	30-31
Application of Governing Classification and Exception Ratings Tariff-----	50
Charges for Accessorial Services or Delays-----	145
Charges for Obtaining a Weighmaster's Certificate-----	148
Collection of Charges-----	250
Collect on Delivery (C.O.D.) Shipments-----	182
Combination Rates, Method of Computing-----	295
Computation of Distances-----	100
Delays to Equipment-----	142-143
Empty Carriers Returning, New Auto Parts-----	48
Empty Packages or Carriers Second Hand-----	291
Empty Pallet Return-----	45
Escort Service, Charges for-----	124
Exceptions to Governing Classification and Exception Ratings Tariff-----	280-400
Failure to Accomplish Delivery-----	141
Forklift Service-----	260
Hazardous Materials-----	129
Intermediate Application (See Routing)-----	900-900.1
Issuance of Documents-----	255
Loss or Damage, Handling of Claims For-----	75
Minimum Charge-----	150
Mixed Shipments-----	90-91
Multiple Service Shipment-----	188
Multiple Utilization of Equipment-----	293.3
Pallet Exchange Provisions (on shipments of various grocery, hotel, restaurant, home or institutional products)-----	267
Parcel Deliveries (Metropolitan Los Angeles Area)-----	265
Permit Shipments, Charges for-----	128
Pool Shipments-----	176-179-2
Rail Carloading and Unloading Charges (Metropolitan Los Angeles Area)-----	262
References to Named Points or Communities-----	105
Shipments To Be Rated Separately-----	60
Shipments Transported in Multiple Lots-----	85
Small Shipment Service-----	149
Special Collect on Delivery (C.O.D.) Service-----	181-1
Split Delivery-----	170-173
Split Pickup-----	160-163
Stringing Services-----	174-175
Technical Terms, Definition of-----	10-12
Temperature Control Service-----	185-187-3
Territorial Descriptions-----	270-270-3
Truckload Efficiency Service-----	293.4
Units of Measurement To Be Observed-----	257
Volume Incentive Service-----	292
Weighmaster's Certificate-----	682
Weights-Cross Weights and Dunnage-----	70

* Addition, Decision No.

86833

EFFECTIVE

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,
 SAN FRANCISCO, CALIFORNIA.

Correction

SECTION 1-- RULES OF GENERAL APPLICATION (Continued)	ITEM
<p>EXCEPTION TO GOVERNING CLASSIFICATION AND EXCEPTION RATINGS TARIFF</p>	
<p style="text-align: center;">TRUCKLOAD EFFICIENCY SERVICE APPLICATION OF RATES</p> <p>Charges applicable in connection with shipments transported under provisions hereof must be fully paid by the consignor, subject to the following conditions:</p> <ol style="list-style-type: none"> The provisions of this item apply only when the bill of lading is annotated by the shipper with the words: <p style="text-align: center;">"TRUCKLOAD EFFICIENCY SERVICE REQUESTED"</p> <p>By such request the shipper agrees to the requirements of this item as a prerequisite to application of the provisions hereof.</p> The shipment must be loaded with power equipment, transported and unloaded with power equipment from the same single unit of carrier's equipment. An allowance of one and one-half (1½) hours free time for loading and one and one-half (1½) hours free time for unloading shall be made in connection with each unit of carrier's equipment used. Excess loading or unloading time will be charged for at rates named in Item 145 of this tariff. Time shall be computed from actual or shipper-designated time of arrival of carrier's equipment at place of loading or unloading, whichever is later, until loading or unloading is completed and carrier's equipment is released. For purposes of applying the provisions of this item, "place of loading or unloading" means the particular street address or other designation of a factory, store, warehouse or place of business. Rates applicable in connection with shipments transported under provisions hereof include the services of a single carrier employee (driver) for each shipment. Physical assistance of this employee is restricted to work within or on carrier's equipment and does not include stacking, unstacking, removal or placement of merchandise on pallets. The carrier or his employee may not engage or pay for the services of helpers or other parties under any circumstances. <p style="text-align: center;">(Continued on following page)</p>	<p>*00 (E) 293.4</p>
<p>(E) Expires with January 31, 1978.</p> <p>* Addition) o Reduction) Decision No. 86833 o Increase)</p>	
EFFECTIVE	
<p>Correction ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.</p>	

SECTION 1-- RULES OF GENERAL APPLICATION (Continued)	ITEM
EXCEPTION TO GOVERNING CLASSIFICATION AND EXCEPTION RATINGS TARIFF	
TRUCKLOAD EFFICIENCY SERVICE (Continued) APPLICATION OF RATES	
<p>5. The carrier's maximum liability in connection with shipments transported under rates in this item shall be one-half of actual value or 50 cents per pound, per article, whichever is less.</p> <p>6. Mixed shipments shall be charged for at the rate applicable to the highest rated commodity in the shipment.</p> <p>7. Rates in this item may not be used in combination with any other rates, except as authorized herein.</p> <p>8. Except as provided in individual items, rates in this item will not apply in connection with shipments accorded services provided in the following items:</p> <ul style="list-style-type: none"> a) 85 - Shipments Transported in Multiple Lots b) 110 - Deductions c) 124 - Escort Service d) 128 - Permit Shipments e) 140 - Accessorial Services f) 142 - Delays to Equipment g) 143 - Delays to Equipment on Whole Grain h) 144 - Delays to Equipment on Lumber i) 160-163 - Split Pickup j) 170-173 - Split Delivery k) 181-1 - Special C.O.D. Service l) 182 - Collect on Delivery (C.O.D.) Shipments m) 188 - Multiple Service Shipments <p>9. Applies with Item 293.3.</p> <p>10. The provisions of this item will not apply in connection with shipments transported in bulk. For purposes of applying the provisions of this item, BULK means not in bags, sacks, packages or other containers except bins having a capacity of not less than 40 cubic feet.</p> <p style="text-align: center;">(Continued on following page)</p>	<p>*00 (E) 293.4</p>
<p>(E) Expires with January 31, 1978.</p> <p>* Addition) o Reduction) Decision No. 86833 o Increase)</p>	
EFFECTIVE	
Correction	ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.

SECTION 1--RULES OF GENERAL APPLICATION (Continued)							ITEM
EXCEPTION TO GOVERNING CLASSIFICATION AND EXCEPTION RATINGS TARIFF TRUCKLOAD EFFICIENCY SERVICE (Continued) APPLICATION OF RATES							
11. The charge for service under the provisions of this item shall be determined by assessing the truckload rate applicable to the commodity or commodities in the shipment as follows:							
RATES IN CENTS PER 100 POUNDS							
MILES		MINIMUM WEIGHT 50,000 Pounds per each single unit of carrier's equipment utilized in transporting a shipment.					
		Truckload Class Rating, as provided in the Governing Classification, the Exception Ratings Tariff or this Tariff.					
Over	But Not Over	35 or Higher	35.1	35.2	35.3	35.4	
0	3	29½	26½	24	23½	23	*60 (F) 293.4
3	5	30½	27½	25	24½	24	
5	10	31½	28½	26	25½	25	
10	15	32½	30	27½	27	26	
15	20	34	31½	28½	28	27	
20	25	36	33	30	29	28	
25	30	37	34	31½	30	29	
30	35	38	35½	32½	31	30	
35	40	40	37	34	32	31	
40	45	41	38	35	33½	32	
45	50	43	39	36	34½	33	
50	60	45	41	38	36	35	
60	70	48	44	40	38	36	
70	80	50	46	43	40	37	
80	90	53	49	45	42	39	
(Concluded on following page)							
(E) Expires with January 31, 1978.							
* Addition) o Reduction) o Increase)		Decision No.		86833			
EFFECTIVE							
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.							
Correction							

SECTION 1--RULES OF GENERAL APPLICATION (Continued)							ITEM
EXCEPTIONS TO GOVERNING CLASSIFICATION AND EXCEPTION RATINGS TARIFF							
TRUCKLOAD EFFICIENCY SERVICE (Concluded) APPLICATION OF RATES							
RATES IN CENTS PER 100 POUNDS							
MILES		MINIMUM WEIGHT 50,000 Pounds per each single unit of carrier's equipment utilized in transporting a shipment.					
But		Truckload Class Rating, as provided in the Governing Classification, the Exception Ratings Tariff on this Tariff.					
Over	Not Over	35 or Higher	35.1	35.2	35.3	35.4	
90	100	55	51	47	44	41	
100	110	58	53	49	46	43	
110	120	60	55	51	48	44	
120	130	63	58	53	49	46	
130	140	65	60	55	51	47	
140	150	68	62	57	53	49	
150	160	70	64	59	54	50	
160	170	72	66	60	56	52	
170	180	74	68	63	57	53	
180	190	76	70	64	59	55	
190	200	79	72	66	60	56	
200	220	83	76	70	64	59	
220	240	87	80	73	67	62	
240	260	90	83	76	70	64	
260	280	94	86	79	73	67	
280	300	98	90	82	76	70	
300	325	102	94	86	79	73	
325	350	107	98	90	83	76	
350	375	111	102	94	86	79	
375	400	115	106	97	89	82	
400	425	119	110	101	92	85	
425	450	122	113	104	95	87	
450	475	126	116	107	98	90	
475	500	130	119	110	101	93	
500	525	133	122	113	103	95	
525	550	136	126	116	106	98	
550	575	140	129	118	108	100	
575	600	143	131	120	111	102	
600	625	146	133	122	113	104	
625	650	149	135	124	115	106	

*60
(E)
293.4

(E) Expires with January 31, 1978.

* Addition)
 o Reduction) Decision No.
 o Increase)

86833

EFFECTIVE

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,
SAN FRANCISCO, CALIFORNIA.

Correction