

Decision No. 87628 JUL 19 1977

ORIGINAL

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 livestock and related items statewide as provided in Minimum Rate Tariff 3-A and the revisions or reissues thereof.

Case No. 5433
Petition for Modification
No. 66
(Filed April 7, 1977)
Order Setting Hearing 54
(Filed March 15, 1976)

INTERIM OPINION

Minimum Rate Tariff 3-A contains minimum rates for the statewide transportation of livestock by highway carriers. Petitioner California Trucking Association (CTA) seeks increases of approximately 8 percent. CTA also requests that the tariff be updated by the adoption of Distance Table 8 for determination of mileages. The adoption of Distance Table 8 would reduce the sought increase to approximately 6.38 percent.

The rates and charges in MRT 3-A were last adjusted on May 1, 1976 pursuant to Decision No. 85704 dated April 20, 1976. The adjustment approximated 3.3 percent and gave recognition to increased operating expenses of for-hire carriers.

CTA alleges that "since the last adjustment in MRT 3-A the costs of conducting motor carrier operations have further increased. In a large measure such increases are attributable to higher labor costs resulting from increased wage rates and fringe benefits payable to essentially all categories of carrier employees. In addition, however, change results from higher social benefit taxes enacted by legislation. Furthermore, the upward spiral of inflationary pressure has caused higher prices in virtually every operating expense, including such elements as fuel, parts, tires and insurance".

The Transportation Division staff advises that:

"An analysis of the impact of increased labor and fuel cost indicates that using the Direct Wage Offset Method an increase of 4.7 percent is justified in the rate scales. At the same time it is recommended that MRT 3-A be made subject to DT-8. The adoption of DT-8 will have a minor impact on the rates in MRT 3-A, since it results in a rate reduction of 4/10 of one percent. The combined increase and decrease will produce an additional gross revenue of approximately \$725,000."

The Transportation Division staff recommends that a 4.7 percent increase be granted by an ex parte interim order and that the matter be set for hearing.

Findings

1. CTA seeks an increase in the minimum rates and charges named in MRT 3-A, and that MRT 3-A be updated by the adoption of Distance Table 8.
2. The operating cost data underlying the existing level of MRT 3-A rates and charges do not reflect increases in costs since the last adjustment of MRT 3-A in 1976.
3. The ex parte interim surcharge increases in rates and charges of 4.7 percent together with the adoption of Distance Table 8 established in the order which follows are just, reasonable, and nondiscriminatory minimum rates and charges for the transportation governed thereby. This increase is estimated to aggregate \$725,000 annually.
4. To the extent that the provisions of MRT 3-A have been found to constitute reasonable minimum rates and rules for common carriers as defined in the Public Utilities Code, those provisions as hereafter adjusted will be reasonable minimum rate provisions for those carriers. To the extent that the existing rates and charges of common carriers for the transportation involved are less in volume or effect than the minimum rates and charges herein designated as reasonable for said carriers, such lower rates and charges are, for the future, unjust and unreasonable.

Conclusions

1. Petition for Modification No. 66 in Case No. 5433 should be granted to the extent provided in the order herein and MRT 3-A amended accordingly.
2. Common carriers should be authorized to depart from the long- and short-haul provisions of Section 461.5 of the Public Utilities Code and the Commission's tariff circular requirements only to the extent necessary to publish the cost offset surcharges ordered herein.
3. The effective date of this order should be the date on which it is signed because there is an immediate need for rate relief.

INTERIM ORDER

IT IS ORDERED that:

1. Minimum Rate Tariff 3-A (Appendix A of Decision No. 55587, as amended) is further amended by incorporating therein, to become effective July 30, 1977, Supplement 12, Tenth Revised Page 3, and Eleventh Revised Page 5 attached hereto and by this reference made a part hereof.
2. Common carriers subject to the Public Utilities Act, to the extent that they are subject also to Decision No. 55587, as amended, are directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered by this decision.
3. Tariff publications required to be made by common carriers as a result of this order shall be made effective July 30, 1977 on not less than five days' notice to the Commission and to the public.
4. Common carriers, in establishing and maintaining the rates authorized by this order, are 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 this order; and schedules containing the rates published under this authority shall

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make reference to the prior orders authorizing long- and short-haul departures and to this order.

5. In all other respects, Decision No. 55587, as amended, shall remain in full force and effect.

6. Public hearing shall be scheduled in this proceeding for the receipt of evidence relative to the final disposition of Petition No. 66. The proceeding in OSH 54 is terminated and that matter is closed.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 19th day of JULY, 1977.

Robert Bateman
President
William Synson, Jr.
Yuan L. Stangen
Michael P. Givalla
Commissioners

Commissioner CLAIRE T. DEDRICK

Present but not participating.

INCREASE SUPPLEMENT

SUPPLEMENT 12
(Cancels Supplements 11)

(Supplement 12 Contains All Changes)

TO

MINIMUM RATE TARIFF 3-A

NAMING

MINIMUM RATES AND RULES

FOR THE

TRANSPORTATION OF LIVESTOCK OVER THE
PUBLIC HIGHWAYS WITHIN THE
STATE OF CALIFORNIA

BY

RADIAL HIGHWAY COMMON CARRIERS

HIGHWAY CONTRACT CARRIERS

AND

LIVESTOCK CARRIERS

Decision No.

87C28

EFFECTIVE

APPLICATION OF SURCHARGE

Except as otherwise provided, compute the amount of charges in accordance with the provisions of this tariff, including any surcharges applicable thereto under other supplements to this tariff, and increase the resulting total amount by four and seven tenths (4.7) percent. (See Exception)

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.

EXCEPTION.--The surcharge provided in this supplement shall not be applied to those charges determined under the following provisions of this tariff:

- (a) Item 210 - Alternative Application of Common Carrier Rates; and
- (b) Items 220 and 221 - Alternative Application of Combinations with Common Carrier Rates. (Railhead to Railhead portion only).

THE END

◊ Increase, Decision No.

SECTION 1--RULES	ITEM
<p style="text-align: center;">DEFINITION OF TECHNICAL TERMS (Items 10 and 11)</p> <p>CALVES means bovine animals weighing 450 pounds or less.</p> <p>CATTLE means bovine animals weighing more than 450 pounds.</p> <p>CARRIER means a radial highway common carrier, a highway contract carrier or a livestock carrier as defined in the Highway Carriers' Act.</p> <p>CARRIER'S EQUIPMENT means any motor truck or other self-propelled highway vehicle, trailer, semitrailer, or any combination of such highway vehicles, operated by the carrier.</p> <p>COMMISSION means the Public Utilities Commission of the State of California.</p> <p>COMMON CARRIER RATE means any intrastate rate or rates of any common carrier or common carriers, as defined in the Public Utilities Act, lawfully on file with the Commission and in effect at time of shipment.</p> <p>DAIRY CATTLE means cattle which are or have been used or useful in connection with the production of milk by dairies.</p> <p>DEBTOR means the person obligated to pay freight charges to the carrier, whether consignor, consignee or other party.</p> <p>DISTANCE TABLE means Distance Table 8 issued by the Commission.</p> <p>FEED LOT means a place, establishment or facility consisting of pens or other enclosures and their appurtenances, in which live cattle, calves, sheep, swine or goats are received, held or kept for fattening, for compensation as a business, for the public generally, or owned and operated by packing or slaughter houses.</p> <p>INDEPENDENT-CONTRACTOR SUBHAULER means any carrier who renders service for a principal carrier, for a specified recompense, for a specified result, under the control of the principal as to the result of the work only and not as to the means by which such result is accomplished.</p> <p>LIVESTOCK SERVICE SHIPMENT means a quantity of livestock transported in one unit of carrier's equipment, in one continuous movement not exceeding 48 hours in duration, consisting of one or more component parts delivered to, and/or received from, one or more consignee(s) or consignor(s) at one or more point(s) of origin and/or destination. All shipping instructions and freight charges must be assumed by a single party when there is more than one consignee or consignor, and any oral shipping instructions must be confirmed in writing not later than 48 hours after tender of the shipment. Applies only to truckload shipments subject to a minimum weight of 30,000 pounds or more.</p> <p>PACKING HOUSE means a place of business licensed to buy livestock for the purpose of slaughter, at which meat or meat food products are manufactured or prepared.</p> <p>PASTURE MOVEMENT means a shipment, or component part thereof, originating at or destined to points other than points located at or within a radius of 2 actual miles of a stockyard, public sales yard, feed lot, packing house or slaughter house.</p> <p>POINT OF DESTINATION means the precise location at which livestock is tendered for physical delivery into the custody of the consignee or his agent. All points within a feed lot, packing house, public sales yard, slaughter house, stockyard or corral ranch site of one consignee shall be considered as one point of destination and shall include only contiguous property which shall not be deemed separate if intersected only by public street or thoroughfare.</p> <p>POINT OF ORIGIN means the precise location at which livestock is physically delivered by the consignor or his agent into the custody of the carrier for transportation. All points within a feed lot, packing house, public sales yard, slaughter house, stockyard or corral ranch site of one consignor shall be considered as one point of origin and shall include only contiguous property which shall not be deemed separate if intersected only by public street or thoroughfare.</p> <p>PUBLIC SALES YARD means a stockyard.</p> <p style="text-align: center;">(Continued in Item 11)</p>	<p>610</p>
<p>Change, Decision No. 37029</p>	
EFFECTIVE	
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.	

Correction

MINIMUM RATE TARIFF 3-A

SECTION 1--RULES (Continued)	ITEM
<p style="text-align: center;">APPLICATION OF TARIFF--CARRIERS</p> <p>Rates provided in this tariff are minimum rates, established pursuant to the Highway Carriers' Act and apply for transportation of livestock by radial highway common carriers, highway contract carriers and livestock carriers, as defined in said Act.</p> <p>When livestock in continuous through movement is transported by two or more carriers, the rates provided herein shall be the minimum rates for the combined transportation.</p> <p>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 service.</p>	20
<p style="text-align: center;">APPLICATION OF TARIFF--TERRITORIAL</p> <p>Rates in this tariff apply for transportation of shipments of livestock between all points within the State of California, except:</p> <p>(a) Transportation service all of which is rendered in territory within the exterior boundaries of a city.</p> <p>(b) Shipments having both point of origin and point of destination within Metropolitan Zones 218, 227, 228, 229, 234, 235 and 236, as described in the Distance Table.</p> <p>(c) Shipments having point of origin or destination at Corn Fed Cattle Co. feed lot, 5440 Southern Avenue, South Gate, on the one hand and point of destination or origin within the Metropolitan Zones referred to in exception (b) of this item on the other.</p> <p>(d) Shipments having both point of origin and point of destination within Metropolitan Zones 301, 302, 303, 304, 305, 306, 307 and 308 of the San Diego Drayage Area as described in Minimum Rate Tariff 9-B.</p>	§30
<p style="text-align: center;">APPLICATION OF TARIFF--COMMODITIES</p> <p>Rates in this tariff apply for the transportation of livestock, (See Exceptions) viz.:</p> <p>Barrows, Boars, Bulls, Butcher Hogs, Calves, Cattle, Cows, (1) Dairy Cattle, Ewes, Feeder Pigs, Gilts, Goats, Heifers, Hogs, Kids, Lambs, Oxen, Pigs, Rams (Bucks), Sheep, (2) Sheep Camp Outfits, Sows, Steers, Stags, Swine, or Wethers.</p> <p>(1) For specific rates on Dairy Cattle, see Section 3 of this tariff. (2) For application of rates on Sheep Camp Outfits, see Item 120.</p> <p>EXCEPTIONS.--Rates do not apply to the transportation of:</p> <p>(a) 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.</p> <p>(b) Property of the United States or property transported under an agreement where- by the United States contracted for the carrier's services.</p> <p>* (c) 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.</p>	§40
<p>Change, Decision No. 8762g</p>	
EFFECTIVE	
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.	

Correction