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OCT 10 1979

ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investiga-)
tion for the purpose of consid-)
ering and determining minimum)
rates for transportation of any)
and all commodities 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. 1049
(Filed August 14, 1979)

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, the California Trucking Association (CTA) seeks to have Item 867 of MRT 2 amended by establishing therein a productivity exception class rating of 85% of 35.4 for the transportation of cast iron pipe, based upon a truckload minimum weight of 50,000 pounds.^{1/}

CTA states the proposed rating "more accurately reflects current industry experience" when truckload shipments of cast iron pipe are being tendered. Furthermore, CTA alleges that the increased minimum weight will not only further encourage usage of the productivity improvement item in the tariff, but will also "maximize energy efficiency utilization of carriers' equipment."

As pronounced by Commission Decision 65639, dated July 2, 1963, in order "to establish an exception rating, it must be shown that the transportation characteristics or conditions in California intrastate traffic of the item in question are different than elsewhere, or that the characteristics are similar to many other articles presently enjoying the sought rating." In the instant

1/ Presently Item 867 of MRT 2 provides for a productivity exception class rating of 35.2, under certain conditions, for the transportation of cast iron pipe, based upon a truckload minimum weight of 45,000 pounds.

proposal, the petitioner is seeking to add a higher minimum truckload weight of 50,000 pounds for cast iron pipe but with a lower class rating of 85% of class 35.4. Generally, the assessed freight charges would be considerably less, if a shipper were willing to comply with certain proposed restrictions which are to be included in the tariff amendment. For example, split pickup and split delivery shipments would not be accepted by the carriers nor shipments that require special authority from a governmental agency because of their weight or size. We believe that the conditions that the petitioner has set forth in the proposal clearly meet the criteria in establishing this additional exception rating to a commodity already listed in the tariff.

The Commission is in receipt of a letter dated August 23, 1979, from United States Pipe and Foundry Company, a major shipper, supporting CTA's proposal. The shipper contends that the petition has its "complete support and requests that it be urgently granted as requested."

The petition was listed on the Commission's Daily Calendar of August 16, 1979. 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 minimum 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.

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 thirty-nine days after the date hereof, First Revised Page 66-N-25 and Original Page 66-N-25-A 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 31606, as amended, are authorized to establish in their tariffs the amendments necessary to conform with the further adjustment ordered by this decision.

3. Tariff publications authorized to be made by common carriers as a result of this order may be made effective not earlier than thirty-nine days after the date hereof and may be made effective on not less than five days' 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 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 authorizations are hereby modified only to the extent necessary to comply with this 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.

6. The Executive Director shall serve a copy of this decision on every common carrier, or such carrier's authorized tariff publishing agents, performing transportation services subject to Minimum Rate Tariff 2.

7. The Executive Director shall serve a copy of each of the tariff amendments on each subscriber to Minimum Rate Tariff 2.

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The effective date of this order shall be thirty days after the date hereof.

Dated OCT 10 1979, at San Francisco, California.

John E. Cupo
President

Vernon L. Sturgeon

Richard D. Gravelle

Lawrence W. Jennings
Commissioners

Commissioner Claire E. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.

MINIMUM RATE TARIFF 2

SEC. N 3-A--PRODUCTIVITY EXCEPTIONS (Continued)		ITEM
PRODUCTIVITY EXCEPTIONS TO GOVERNING CLASSIFICATION AND EXCEPTION RATINGS TARIFF (Continued)		
(Numbers within parentheses immediately following commodities shown below refer to such commodities as they are described in the corresponding item numbers of the Governing Classification.)	Class Rating	
<p>PIPE, CAST IRON, viz.:</p> <p>Pipe, cast iron pressure (51200), not less than 12 feet and not more than 18 1/2 feet in length, in straight shipments or in mixed shipments with cast iron pressure pipe fittings.</p> <p>Pipe, cast iron soil (51290), not less than 2 feet and not more than 11 feet in length, in straight shipments, or in mixed shipments with cast iron soil pipe fittings.</p> <p>TRUCKLOAD:</p> <p>Minimum weight, per unit of carrier's equipment:</p> <p>45,000 pounds, subject to Notes 1 through 3-----</p> <p>*50,000 pounds, subject to Notes 1 through 6-----</p> <p>NOTE 1.--Ratings only apply on straight or mixed shipments of commodities named in this item, and only when the bill of lading is annotated by the shipper with the words "PIPE INCENTIVE RATES REQUESTED". By such request the shipper agrees to the requirement of this item as a prerequisite to application of the provisions herein.</p> <p>NOTE 2.--Ratings apply only to shipments on which the following conditions are met:</p> <p>a) Prepaid - All charges in connection with this item must be prepaid by the consignor.</p> <p>b) Maximum Liability - the maximum liability in connection with shipments transported by the carrier rates in this item shall be limited to one-half of actual value or 50 cents per pound, per article, whichever is less.</p> <p>c) Loading, and/or unloading:</p> <p>1) An allowance of one hour free time for loading and one hour free time for unloading will be given.</p> <p>2) Excess loading or unloading time shall be charged for at the rates provided in Item 145 herein.</p> <p>3) Time shall be computed from the 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 the unit of carrier's equipment is released. Place of loading or unloading means a particular street address or other designation of a factory, store, warehouse, place of business, private residence, or construction company or the like.</p> <p>4) Shipments must be loaded by the consignor and unloaded by the consignee, without expense or physical assistance of the carrier or his employee.</p> <p>(Continued on following page.)</p>	<p>35.2</p> <p>85% of</p> <p>35.4</p>	<p>800</p> <p>867</p>
<p>(1) Provisions of Notes 3 and 4, as amended, transferred to Original Page 66-N-25-A.</p> <p>o Change) = Addition) o Increase) Decision No. 90911 o Reduction)</p>		
EFFECTIVE 11/18/79		
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.		
Correction		

SECTION 3-A--PRODUCTIVITY EXCEPTIONS (Continued)		ITEM
PRODUCTIVITY EXCEPTIONS TO GOVERNING CLASSIFICATION AND EXCEPTION RATINGS TARIFF (Continued)		
(Numbers within parentheses immediately following commodities shown below refer to such commodities as they are described in the corresponding item numbers of the Governing Classification.)	Class Rating	
<p>PIPE, CAST IRON, viz.:</p> <p>NOTE 3.--Not applicable in connection with the following items:</p> <ul style="list-style-type: none"> a) Item 70----- Weight, Gross Weights and Dunnage. b) Item 120----- Application of Rates c) Item 124----- Escort Service d) Item 142----- Delays to Equipment e) Item 181-1----- Special C.O.D. Service f) Item 182----- Collect on Delivery (C.O.D.) shipments g) Item 188----- Multiple Service Shipments h) Item 895----- Premium Volume Incentive Service i) Item 897----- Truckload Efficiency Service <p>NOTE 4.--The provisions of this item do not apply in connection with:</p> <ul style="list-style-type: none"> a) Split pickup or split delivery shipments b) Shipments in bulk c) Permit shipments d) Shipments which are transported from, to or between: <ul style="list-style-type: none"> (1) Sites for drilling exploratory oil, water or gas well, or (2) Wharves e) Shipments, all or any portions of which require sorting, segregating, dividing, stacking, unstacking, or any other accessorial service not specifically authorized in this item. f) Shipments transported under government bills of lading. <p>NOTE 5.--Rates resulting from the application of this item do not alternate with other rates and charges in this tariff and may not be used in combination with any other rates not specifically authorized by this item.</p> <p>NOTE 6.--Applies only in connection with rates set forth in Item 890.</p>		
<p>o Change) * Addition) o Increase) o Reduction)</p>	Decision No. 90911	See Ratings on Preceding Page
		806 867 (Concluded)
EFFECTIVE 11/18/79		
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.		
Correction		