

Decision No. 91567 APR 15 1980

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 trans-)
portation 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. 1034
(Filed September 29, 1978;
amended March 12, 1979,
July 31, 1979, and
November 16, 1979)

And Related Matters.

Case No. 5439
Petition for Modification
No. 329
Case No. 5441
Petition for Modification
No. 410
Case No. 7783
Petition for Modification
No. 160
(Filed September 29, 1978;
amended March 12, 1979,
July 31, 1979, and
November 16, 1979)

(See Decisions Nos. 89978, 90224, and 91241 for appearances.)

Additional Appearances

Vernon Hampton, for Certain-Teed Corporation,
protestant.
Richard Jon Zimmer, for Onion Industries;
William H. Sterling, for National Can
Corporation and Can Manufacturers
Institute; Herbert Molino, for American
Cyanamid Company; and Gordon G. Gale,
for the Clorox Company; interested
parties.

FINAL OPINION

Minimum Rate Tariffs (MRTs) 2, 1-B, 9-B, and 19 name minimum rates for the highway transportation of general commodities statewide and within the East Bay, San Diego, and San Francisco drayage areas, respectively. MRT 15 names vehicle unit rates.

By the petitions herein and the First and Second Amendments thereto, the California Trucking Association (CTA) sought general cost offsetting increases in the five tariffs. The increases sought were to reflect increases in wages, fringe benefits, payroll taxes, and related expenses in all five tariffs and to reflect alleged changes in platform productivity at carrier terminals in the statewide and three drayage tariffs. CTA also requested that indirect expenses be increased by the same percentage that direct expenses were increased. Interim Decisions Nos. 89978, 90224, and 91241 dated February 14, and April 24, 1979, and January 15, 1980, respectively, and companion decisions disposed of all issues raised through the Second Amendment. The three interim decisions granted various surcharge increases in the five tariffs to offset certain labor, payroll tax, and related increases and denied the requested adjustments to reflect alleged changes in indirect expenses and platform productivity. In addition to these increases, the surcharges in the supplements to each of the five tariffs include all current fuel adjustments.

By the Third Amendment filed November 16, 1979, CTA requests additional increases in the five tariffs to reflect: (1) the April 1, 1980 wage plus cost-of-living adjustment (COLA) and fringe benefit increases provided for in the collective bargaining agreement with the Teamsters' Union; (2) the January 1, 1980 increases in Social Security and Workers' Compensation Insurance payments by employers; and (3) alleged increases in vehicle fixed and running costs. CTA pointed out that it has taken into account a reduction of \$54 per year in California Unemployment Insurance payments by employers in the adjustments it requests. It also requests that recognition be given to alleged increases in indirect expenses.

A request for an adjustment for profit restoration was withdrawn at the hearing in this matter.

Public hearing on the Third Amendment before Administrative Law Judge Arthur M. Mooney was held in San Francisco on January 4 and 29, and February 11, 13, and 20, 1980, and the matter was submitted upon the receipt of late-filed Exhibit B-28 on March 10, 1980. A further late-filed exhibit will be filed by the staff setting forth its proposal for incorporating all surcharges to each of the five tariffs into the respective tariffs. If considered appropriate, further decisions will be issued to accomplish this. All prior issues having been resolved by the interim decisions, the only issues we are concerned with in this decision are those raised in the Third Amendment.

The current Teamsters' collective bargaining agreement calls for the following increases effective April 1, 1980: (1) 76 cents per hour in the basic hourly wage rate (35 cents wage increase plus 41 cents COLA) and 1.775 cents per mile in the mileage rate (.0075 cents mileage increase plus .01025 cents COLA); (2) \$15.17 per man per month for health and welfare; (3) \$5.60 per man per week for the pension fund except for Local 85 (San Francisco and San Mateo Counties) for which the increase is \$4.50 per man per week; and (4) one day per year for sick leave and one paid holiday per year. The wage and mileage increases average approximately 7 percent. The maximum amount of employee yearly salary on which the Social Security Tax (FICA) is based was increased on January 1, 1980 from \$22,900 to \$25,900. This results in an annual increase to the employer of \$183.90 or 13.1 percent for any employee earning the maximum salary on which the Social Security Tax is based. Also on January 1, 1980, the employers' contribution to Workers' Compensation Insurance increased from \$10.66 to \$11.43 for every \$100 of payroll for truckmen, an increase of 77 cents per \$100 or 7.2 percent.

With respect to the fixed costs for motor vehicles, the Assistant Director of CTA's Division of Transportation and Economics presented the following evidence: (1) the historical fixed cost data for equipment in the cost datum planes on which the rates and charges in the five tariffs are based have not been revised for almost three years and reflect costs of equipment measured for the period 1967 to 1977; (2) as related to the actual current costs of replacement equipment, the existing rate structures in the tariffs return an amount for equipment approximating 1974 prices; and (3) with the spiraling increases in the prices of equipment during the last few years, it is critical that this fixed cost data be updated. In his Exhibit B-3, he set forth the revised fixed cost data he calculated. The witness explained that the revised data are based on the most recent equipment cost data in the Commission's Data Bank Report 511 series which he projected to 1979 levels and are calculated in accordance with the accepted traditional method utilizing historical cost averages of 6 to 10 years depending on the service life of the equipment. According to the exhibit, for a 3-axle diesel tractor, the 1977 average price and the historical cost, based on an 8-year economic life, now used for cost determination for the five tariffs are \$41,529 and \$30,446, respectively; whereas, for this equipment the 1979 average price and recommended revised historical cost, based on the same service life, are \$45,549 and \$35,938. Similar recommended adjustments in the fixed costs for other motor, trailing, and converter gear equipment are set forth in Exhibit B-3. CTA's witness pointed out that in no way do the recommended revisions in historical fixed costs approach the current costs of equipment.

As to vehicle running costs, CTA's witness pointed out that fuel costs are being handled in another proceeding (Case No. 5432, Pet. 1042, et al.) and that the adjustments requested herein are in vehicle performance and equipment maintenance and repair costs. According to the evidence he presented: (1) the five tariffs reflect vehicle running expense components for

performance and maintenance and repair that are two years old; (2) there has been a continuing downward trend in miles per gallon (MPG) for motor equipment; (3) this reduction in vehicle performance is due to many factors, including required emission control devices, utilizing older equipment which has become less efficient, and using vehicles for different types of services than for which they were obtained; (4) although inflation is having a drastic upward impact on maintenance and repair costs, carriers must continue to purchase the parts and services needed to keep their equipment in safe operating condition; (5) based on a study of representative carriers and information from the Commission's Data Bank Reports, he updated running costs to 1980 levels, and the results of his study are set forth in Exhibits B-4 and B-12; (6) according to the exhibits, the base hourly wage of mechanics has increased 20.4 percent during the past 2 years, the cost of motor vehicle parts has increased 9.7 percent during the same period, while the MPG for 2-axle and 3-axle diesel tractors has in the past 2 years dropped from 4.7 to 4.6 and remained constant at 4.4, respectively, the MPG for this equipment between 1971 and 1979 has dropped from 5.1 to 4.6 and from 4.9 to 4.4, respectively, and there have also been decreases in MPG for other motor equipment during these two periods; and (7) it is critical that motor carriers recoup these increases in vehicle running expense if they are to continue to provide an adequate, efficient service for the public.

CTA's Exhibits B-11 and B-14 set forth the updated cost datum planes it developed for MRTs 2 and 15, respectively. The only adjustments CTA has made in the current cost datum planes for the two tariffs are for the wage, fringe benefit, and payroll tax increases, which have in fact occurred, and for the increases in vehicle fixed and running expenses, which it alleges have occurred.

Revised cost data for MRTs 1-B and 19, for MRT 2, and for MRT 15 were presented by two staff engineers and are set forth in Exhibits B-16, B-17, and B-26, respectively. For these tariffs,

the respective cost datum planes were adjusted to reflect the increases in wages, fringe benefits, and payroll taxes referred to above and the updated increases in vehicle fixed and running expenses computed by the staff. Other than minor differences in vehicle costs, the staff and CTA were in substantial agreement as to the amount of increases that have occurred in these direct cost components, and they both agreed that the five MRTs should be adjusted to reflect these increases. They differed, however, as to the offset method to be used to accomplish this. CTA utilized the Wage Cost Offset procedure which increases indirect expenses by the same percentage that total direct costs are increased, and the staff used the Direct Wage Offset method which holds indirect costs constant. Also, CTA did not develop separate costs for the three drayage tariffs and based its recommended adjustments for these tariffs on the cost data it developed for MRT 2; whereas, the staff based its suggested adjustments for MRTs 1-B and 19 on the separate cost data it had developed for each tariff and its recommended adjustments for MRT 9-B on the cost data it developed for MRT 1-B. In this connection, CTA's witness stated that the drayage tariffs are becoming of lesser importance in terms of revenue earned and most of the carriers and equipment operating in the drayage areas also perform services covered by MRT 2, and the staff rate expert stated that MRT 1-B costs have been traditionally used for MRT 9-B. Both CTA and the staff agreed that with the exception of Item 640 of MRT 2, the percentage increases each proposed for the statewide and three drayage tariffs could be added to these tariffs by surcharge supplements and that, because of the variety of cost data underlying the equipment and other rates and charges in MRT 15 and the distortions that would result from applying a percentage increase, the rates and charges in this tariff should be adjusted individually. While there are specific increase proposals for certain rates and various proposed exceptions by both

the staff and CTA in their respective surcharge proposals, following is a comparison of the percentage increases for all other rates and charges recommended herein by the staff and by CTA for MRT 2 and the three drayage tariffs:

<u>MRT</u>	<u>STAFF</u>		<u>CTA</u>	
	<u>TL</u>	<u>LTL</u>	<u>TL</u>	<u>LTL</u>
2	10.78%	10.07%	12.50%	12.88%
1-B	6.60	6.60	11.06	9.79
9-B	6.59	6.59	11.06	9.79
19	6.01	6.01	12.00	10.73

TL - Rates subject to minimum weights of 5,000 and 4,000 pounds or more in MRT 2 and in the drayage tariffs, respectively.

LTL - All other rates and charges.

The average of the increases proposed by the staff for MRT 15 is 7.4 percent, and the average of the CTA-proposed increases for this tariff is several percentage points higher than the staff. Both the staff and CTA asserted that their respective increases comply with the federal wage and price guidelines.

CTA has requested that special treatment be given to Item 640 of MRT 2 which contains statewide distance commodity rates and special commodity rates for the metropolitan Los Angeles and San Francisco Bay areas, for the bottles (plastic), cans, and can ends described therein. According to the testimony of CTA's witness, an official of National Can Corporation, who also represented the Can Manufacturers Institute, and an official of Del Monte Corporation (1) the shippers and carriers involved in this transportation have had meetings regarding the extent to which the rates in this item should be adjusted to reflect the increased payroll and vehicle cost involved herein; (2) the parties have agreed to increases ranging from 5 percent for the lower mileage brackets up to approximately 12 percent, for distances of 400 miles and above; and (3) because of this sliding increase scale, it is more appropriate to reissue the tariff page on which Item 640 appears, rather than to include a complex formula for increasing the

individual distance and other rates in the proposed surcharge supplement to MRT 2. The staff rate expert testified that the staff agrees with CIA's proposal for Item 640.

The CIA proposal was opposed in whole or in part by the National Small Shipment Traffic Conference, Inc., and the Toilet Preparations Traffic Conference, Inc. (Conferences), RCA Corporation (RCA), California Manufacturers Association (CMA), and the Traffic Managers Conference of California (TMC). The Conferences were of the opinion that: (1) no more than a 5½ to 6 percent increase to offset the labor and labor-related cost increases herein should be granted; (2) any increase above this amount has not been justified; and (3) any increase that should be granted should be across the board for all weight categories and not weighted more heavily for less-than-truckload shipments. RCA was opposed to the amount of increase sought by CIA and in support of its position asserted that its costs for handling proprietary transportation in southern California are much less than the charges it would be required to pay to for-hire carriers at present minimum rates for the same transportation.

CMA presented the following evidence: (1) with the increases sought by CIA herein, the total of the increases in MRT 2 over the past 14 months would be approximately 30 percent; (2) the increases authorized in California are higher than those authorized in other western states; (3) it has been almost 18 years since the Commission staff has undertaken a full-scale cost study for MRT 2, and the use of the offset method of adjusting rates during this period of time has caused distortions in the rate scales; (4) a carrier revenue need rule should be substituted for the cost offset procedure for any future rate adjustment proceedings; (5) this could be accomplished by adopting something similar to the Interstate Commerce Commission (ICC) MC-82 procedure wherein selected frame or representative carriers furnish to the ICC detailed cost and other economic data which are used as a basis for determining the amount of rate adjustments necessary to meet carriers' revenue needs; (6) the Commission could utilize annual

reports of carriers now filed with it for obtaining the necessary data, or at least some of the data; and (7) if the present offset method, which has no real relationship to conditions as they exist today, is to continue, many CMA members will go to proprietary hauling or move to other states. TMC also objected to a continuation of the offset method of rate adjustment for substantially the same reasons advanced by CMA and also recommended that if minimum rates are to be continued, the ICC MC-82 procedure should be adopted for future increases. In addition, it is TMC's position that: (1) CIA's proposal bears no reasonable relationship to the cost of an efficient carrier; (2) the Commission should relinquish its ratemaking/rulemaking activities to the carriers themselves or to their rate bureaus; and (3) any further increases in rates that might be granted by the Commission should be on a permissive basis only.

In rebuttal to the positions stated by protestants and the evidence they presented, CIA asserted that: (1) the other western states have had substantially higher increases than those referred to by CMA; (2) in comparing its proprietary and for-hire transportation costs, RCA did not take into account many of the cost factors attributable to proprietary transportation, such as the cost of personnel who load the equipment and other terminal expenses, insurance, uniform allowances, sick leave pay, and trailer and other costs, and had these been considered, the difference in cost between the two types of service would have been nominal; (3) the ICC MC-82 procedure requires substantial detailed sampling and statistical data, and the Commission does not now have the staff to undertake such a program; (4) the only practical way to adjust minimum rates at this time is the offset method; and (5) the sought increases are justified.

We concur with CIA and the staff that the minimum rates in the five tariffs should be adjusted to reflect the increases in wages and related costs and in vehicle fixed and running expenses in issue. As stated, the increases in wages and related costs

have in fact occurred, and vehicle fixed and running expenses have not been adjusted in the individual cost datum planes for the tariffs for several years. The evidence clearly and persuasively demonstrates that inflationary influences have substantially increased these vehicle costs over the past several years. The cost data presented by CIA and the staff is summarized in detail above, and no further discussion or analysis of this evidence is necessary. As discussed in detail in our last interim decision in this matter (Decision No. 91241), it is our policy to apply the Direct Wage Offset method in adjusting rates in offset proceedings. We will, therefore, with the exception of Item 640 of MRT 2, adopt the staff-recommended surcharge increases for MRTs 2, 1-B, 9-B, and 19 and its specific rate increase proposals for MRT 15, all of which are based on this offset procedure. For Item 640 of MRT 2, we will reissue the tariff pages on which the item appears with the revised rate scale suggested by CIA and with which all concerned parties concur.

We recognize the concern of protestants over the amount of the increases we will authorize herein which, together with those we have authorized during the past 14 months, have substantially escalated trucking rates. However, these increases merely offset proven increases that have occurred in the direct costs of carriers. In the present inflationary atmosphere of spiraling prices, there is little, if anything, carriers can do to avoid these increases in their direct costs, and without sufficient additional revenue to offset these direct cost increases, the ability of many, if not most, carriers to continue to provide a safe and efficient transportation service will, at the very least, be seriously impaired. A viable for-hire transportation system is essential to the economy of our state. The record clearly establishes that there is an exceptional need by the carriers for the increases herein. The transition tariff which will be issued shortly will incorporate in MRT 2 the rates authorized by this order. In accordance with Decisions Nos. 90663 and 91414 the rates in the transition tariff will remain in effect until the carrier-filed rate program is fully effective.

As to the adoption of an ICC MC-82 or similar procedure for future rate increase proceedings as recommended by CMA and TMC, we agree with CIA that such a procedure would involve extensive sampling of carriers and the gathering of substantial amounts of economic and other statistical data. It would require a considerable amount of time to formulate and initiate such a program and also a substantial amount of manpower. In any event, this is not the proper vehicle in which to consider such a request, and should any party so desire, he may make an appropriate filing requesting that such a program be considered for the future. Also, we are of the opinion that the adjustments herein should be incorporated in the MRTs and not be permissive only.

The rate increases proposed herein are within the guideline tests of the President's Council on Wage and Price Stability for the second program year which commenced on October 1, 1979. In this connection, the staff pointed out that the Council has furnished the Commission with an opinion that the profit margin exception test rather than the general price deceleration standard may be fairly applied when rate increase petitions on an industry-wide basis are being considered by the Commission. We agree with the staff that the increases it recommends herein, and which we have adopted, would have no upward effect on the profit margin of the respondent carriers.

There are now increase surcharge supplements to each of the five tariffs that became effective March 22, 1980. In addition to bringing forward labor, fuel, and other direct cost offset increases from prior supplements, the increases in these supplements included the latest fuel increase adjustment which was granted by Seventh Interim Decision No. 91406 dated March 4, 1980 in Petition 1042 in Case 5432, et al. The staff surcharge supplements for MRTs 2, 1-B, 9-B, and 19 and rate adjustments for MRT 15 and the CIA rate revisions for Item 640 of MRT 2 which we are adopting herein include, in addition to the increases authorized herein, all prior increases in the supplements to each tariff except the

latest increase fuel adjustment. This will be incorporated in the surcharge supplements issued herein and added as a surcharge to the revised rates in Item 640 and as a surcharge supplement to the revised rates in MRT 15.

The estimated new revenue by tariff and the total thereof that will result from the increases authorized herein are as follows:

<u>MRT</u>	<u>Estimated New Revenue</u>
2	\$113,095,748
1-B	168,659
9-B	245,478
19	283,817
15	<u>8,077,000</u>
Total	\$121,870,702

As a matter of information, the increased labor and labor-related costs herein account for in excess of 75 percent of this additional revenue.

Because carriers are now paying the increased costs in issue, the order which follows will be made effective on the date it is issued, and it will provide that the tariff supplements will be effective on April 20, 1980 and that required or authorized tariff publications may be made effective on five days' notice.

Findings of Fact

1. The rates and charges in MRTs 2, 1-B, 9-B, 15, and 19 were last generally adjusted by surcharge supplements to each tariff by Decision No. 91241 dated January 15, 1980 and companion decisions to reflect increases in wages and related costs. Additional surcharge increases have been added by supplements to the tariffs by subsequent decisions to reflect increases in the cost of fuel.

2. CTA and the Commission staff have demonstrated that carriers have experienced increases in the following direct costs: wages, fringe benefits, payroll taxes (Social Security and Workers' Compensation Insurance), and vehicle fixed and running expenses.

3. The increases in labor, labor-related, and vehicle costs referred to in Finding 2 are not now reflected in the historical cost data underlying the level of rates in the five tariffs.

4. CIA requests offset increases in the five tariffs based on the Wage Cost Offset procedure to reflect the increased costs referred to in Finding 2.

5. The staff recommends offset increases in the five tariffs based on the Direct Wage Offset method to reflect the increased costs referred to in Finding 2.

6. While it is apparent that we are in a period of rising costs, the precise, measurable effect this has had on the indirect expenses of highway carriers has not been established on this record and is unknown. The Direct Wage Offset procedure is the proper offset method to use in this proceeding.

7. With the exception of Item 640 of MRT 2, the surcharge increases for MRTs 2, 1-B, 9-B, and 19 and the increases in individual rates and charges in MRT 15 recommended by the staff and set forth in its Exhibits B-27 and B-28 are reasonable and justified and should be adopted.

8. The increases in the rates in Item 640 of MRT 2 recommended by CIA and set forth in its Exhibit B-13 are reasonable and justified and should be adopted.

9. The increases referred to in Findings 7 and 8 are within the guidelines of President Carter's Council on Wage and Price Stability.

10. The increases referred to in Findings 7 and 8 are based on exceptional need at this time.

Conclusions of Law

1. The request by CIA for further cost offset increases in MRTs 2, 1-B, 9-B, 15, and 19 in its Petitions for Modification Nos. 1034, 329, 410, and 160 in Cases Nos. 5432, 5439, 5441, and 7783, respectively, should be granted to the extent set forth in the following order.

2. The offset increases ordered or authorized herein should be put into effect as follows: (1) the increases in Item 640 of MRT 2 and in MRT 15 should be incorporated directly into the tariff rates and charges, and (2) all others should be made through the application of surcharges.

3. Since the increases in the direct costs involved herein are now being paid by carriers, the order herein should be made effective on the date hereof, the increases to the five MRTs should be made effective on April 20, 1980, and required or authorized tariff publications should be authorized to be made on five days' notice.

4. For purposes of tariff distribution, the immediate amendments to MRT 2 will be provided in the ensuing order and the like tariff amendments to MRTs 1-B, 9-B, 15, and 19 will be made by supplemental orders.

FINAL ORDER

IT IS ORDERED that:

1. Minimum Rate Tariff 2 (Appendix D to Decision No. 31606, as amended) is further amended by incorporating therein, to become effective April 20, 1980 Supplement 154, Second Revised Page 48-B, and Second Revised Page 48-BB, 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. 31606, as amended, are directed to establish in their tariffs the increases necessary to conform with the further adjustments ordered by this decision.

3. Common carriers maintaining rates on a level other than the minimum rates for transportation for which rates are prescribed in Minimum Rate Tariff 2 are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 2 rates.

4. Common carriers maintaining rates on the same level as Minimum Rate Tariff 2 rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff 2 are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 2 rates.

5. Common carriers maintaining rates at levels other than the minimum rates for the transportation of commodities and/or for transportation not subject to Minimum Rate Tariff 2 are authorized to increase such rates by the same amounts authorized by this decision for Minimum Rate Tariff 2 rates.

6. Any provisions currently maintained in common carrier tariffs which are more restrictive than, or which produce charges greater than, those contained in Minimum Rate Tariff 2 are authorized to be maintained in connection with the increased rates and charges directed to be established by Ordering Paragraph 2 hereof.

7. Common carriers maintaining rates not otherwise specifically referred to in other ordering paragraphs of this decision are authorized to increase such rates by 10 percent.

8. Tariff publications required to be made by common carriers as a result of this order shall be filed not earlier than the effective date of this order and made effective April 20, 1980, on not less than five days' notice to the Commission and to the public; as to tariff publications as are authorized, but not required, the authority shall expire unless exercised within sixty days after the effective date of this order.

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

10. Common carriers are authorized to depart from the Commission's tariff circular requirements only to the extent necessary in establishing the surcharge supplement authorized by this order.

11. In all other respects, Decision No. 31606, as amended, shall remain in full force and effect.

12. To the extent not granted herein, the request for relief by the California Trucking Association in its Petitions for Modification Nos. 1034, 329, 410, and 160 in Cases Nos. 5432, 5439, 5441, and 7783, respectively, is denied.

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

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

The effective date of this order is the date hereof.

Dated APR 15 1980, at San Francisco, California.

I dissent
[Signature]

President
[Signature]

[Signature]

[Signature]

Commissioners

Commissioner John E. Bryson,
being necessarily absent, did
not participate.

SURCHARGE SUPPLEMENT

MINIMUM RATE TARIFF 2

Supplements 73, 77, 87, 124, 127, 139 and 154 contain all changes.

SUPPLEMENT 154

(Cancels Supplement 153)

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

AGRICULTURAL CARRIERS

CEMENT CONTRACT CARRIERS

DUMP TRUCK CARRIERS

AND

HOUSEHOLD GOODS CARRIERS

Decision No.

91567

EFFECTIVE

4/20/80

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 provisions of this tariff, and increase the amount so computed as follows:

1. By twenty-seven and one-quarter (27½) percent on charges computed at rates provided in Items 643 and 646;
2. By nineteen and three-quarters (19¾) percent on charges computed at rates provided in Item 722;
3. Except as provided in paragraphs 1 and 2, by twenty-nine (29) percent on charges computed at rates subject to minimum weights of 5,000 pounds or more;
4. By nineteen and one-half (19½) percent on rates in Item 631 and Note 10 of Item 633;
5. By twenty-four (24) percent on charges named in Items 160-163, 170-173, 177-179-2, 240-241, and Column 1 of Item 260;
6. By twenty-six (26) percent on all other rates and charges.
7. By one-half (½) percent on charges computed at rates provided in Item 640.

For purposes of disposing of fractions under provisions hereof, fractions of less than one-half (½) cent shall be dropped, and fractions of one-half (½) cent or greater shall be increased to the next higher whole cent.

EXCEPTION: The surcharge herein shall not apply to:

1. Supplement 139 - Central Coastal Territory Surcharge;
2. Item 120 - Deductions;
3. Item 124 - Charges for Escort Service Stated in Cents per Mile in Paragraph (a), and charges in Paragraphs (b) and (c);
4. Item 128 - Charges for Permit Shipments;
5. Item 141 - Storage and Reloading Charges;
6. Item 143 - Demurrage Charge;
7. Item 145 - Accessorial Charges in Subparagraph (b);
8. Item 147 - Advertising on Equipment;
9. Item 148 - Charges for Obtaining a Weighmaster's Certificate;
10. Item 181-1 - Special C.O.D. Service;
11. Item 182 - Collect on Delivery (C.O.D.) Shipments;
12. Items 185-1 through 187-3 - Temperature Control Service;
13. Items 200 through 230 - (Railhead-to-railhead Charges Only);
14. Item 260 - (Column-Portlift Charges);
15. Item 267 - Pallet Exchange Provisions.

THE END

Increase)
 Change, neither increase) Decision No.
 nor reduction)

22212

MINIMUM RATE TARIFF 2

SECTION 3—COMMODITY RATES (Continued)

ITEM

(Number within parentheses immediately following commodities shown below refer to such commodities as they are described in the corresponding item numbers of the Governing Classification.)

CONTAINERS, PACKAGING (Subject to Notes 1 through 13), viz.:

Bottles, Plastic, NOI (156600), five gallons or less in capacity.
 Cans, Aluminum, NOI (13120), five gallons or less in capacity.
 Cans, Composite, Fibreboard, Paper or Paperboard, (29030), five gallons or less in capacity.
 Cans, Sheet Steel, NOI (52755 - 52780), five gallons or less in capacity.
 Can Ends, Aluminum, Steel or Tin (40245, 40250).

MILES		RATES (In Dollars Per Load)	MILES		RATES (In Dollars Per Load)
Over	But Not Over		Over	But Not Over	
0	5	108	200	220	398
5	10	116	220	240	412
10	15	125	240	260	427
15	20	133	260	280	445
20	25	141	280	300	465
25	30	150	300	325	485
30	35	158	325	350	506
35	40	166	350	375	527
40	45	174	375	400	545
45	50	183	400	425	565
50	60	197	425	450	582
60	70	210	450	475	624
70	80	224	475	500	653
80	90	237	500	525	691
90	100	250	525	550	729
100	110	263	550	575	768
110	120	277	575	600	806
120	130	290	600	625	844
130	140	304	625	650	883
140	150	317	650	675	922
150	160	329	675	700	960
160	170	343	For Distances over 700 miles add for each 25 miles or fraction there- of in excess of 700 miles		40
170	180	356			
180	190	365			
190	200	378			

0640

(Continued on following page)

◊ Increase, Decision No.

91567

EFFECTIVE 4/20/80

Correction

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

SECTION 4-COMMODITY RATES (Continued)		ITEM
(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.)		
CONTAINERS, PACKAGING (Subject to Notes 1 through 13), viz.: Bottles, Plastic, NOI (156600), five gallons or less in capacity. Cans, Aluminum, NOI (13120), five gallons or less in capacity. Cans, Composite, Fibreboard, Paper or Paperboard (29030), five gallons or less in capacity. Cans, Sheet Steel, NOI (52755-52780), five gallons or less in capacity. Can Ends, Aluminum, Steel or Tin (40245, 40250).		
BETWEEN	AND	Rates In Dollars per Load
Points in Metropolitan Los Angeles Area as described in Item 270.3	Points in Metropolitan San Francisco Bay Area as described in Item 270.3	(1) 495.00
	Points in Contra Costa County not included in Metropolitan Zones 108 and 109. Points in Solano County.	(1) 507.00
	Sacramento and North Sacramento Extended Areas as described in Distance Table.	(1) 519.00
	Rocklin (Sunset Whitney Ranch)	553.00
	Petaluma	(2) 563.00
Points in Metropolitan San Francisco Bay Area as described in Item 270.3	Mira Loma Air Force Station Alta Loma	(2) 553.00
(1) Subject to the provisions of Items 900 and 900.1 (Routing). (2) Rate not subject to the provisions of Note 3.		
(Continued on following page)		
o Increase, Decision No.		91567
EFFECTIVE 9/20/80		
ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.		
Correction		

0640
(Continued)