Decision No. 31516

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment of rates, rules, classifications and regulations for the transportation of property, exclusive of property transported in dump trucks, for compensation or hire, over the public highways of the City and County of San Francisco.)

Case No. 4084

ORIGINAL

DEVILIN, Commissioner:

SIXTEENTE SUPPLEMENTAL OPINION

At an adjourned hearing held in San Francisco various proposals were made for further modification of the minimum rates, rules and regulations heretofore established in the above entitled proceeding for transportation of property within the San Francisco drayage area. All of these proposals were made by the Draymen's Association of San Francisco, hereinafter referred to as the "Association."

Rating on Precision Steel

Under the existing basis, the commodity known as "precision steel" is rated at second class whether shipped in boxes, in crates, or loose. It was proposed that a rating of third class be provided for this commodity when shipped in boxes or in crates, the second class rating to remain applicable when it is shipped loose. The Association's witness testified that precision steel is coated with oil or grease when shipped loose and is much more difficult and expensive to handle than when crated or boxed. He stated that at the present time some of this steel is moving in boxes and crates, and that the second class rating was proposed to cover unpacked shipments. The reduced rating he claimed would give proper recognition to the lesser cost of handling this commodity when crated or boxed.

It seems apparent that, ordinarily, a commodity such as precision steel is less expensive to handle when shipped in boxes or in crates than when shipped loose and that this difference in cost of handling justifies a difference in rating. In view of the fact that the second class rating was proposed to apply on loose shipments and considering the ratings on other iron and steel articles the proposed rating appears justified.

Rating on Glass Jars and Jelly Glasses

Under outstanding orders in this proceeding a specific rating of first class is provided for "glassware, other than cut glass." The Association's witness stated that a question had arisen as to whether glass jars and jelly glasses should be rated under that description or whether they should be accorded the ratings provided therefor in the Western Classification. Contending that glass jars and jelly glasses are of a relatively low value, he recommended that a specific rating of third class, the rating now applicable on glass bottles, be provided for glass jars and jelly glasses.

Reference to Decision No. 28632 in this proceeding indicates that jelly glasses have already been accorded a specific second class rating, hence, no difficulty exists in determining the applicable rating on this commodity. Moreover, it has not been shown that in themselves the present ratings for jelly glasses and glass jars are too high or that these commodities possess transportation characteristics similar to those of glass bottles. The proposal should not be adopted on this record.

Rating on Feathers

A specific rating of double first class is now provided

Western Classification ratings apply on commodities for which specific ratings are not otherwise provided in the minimum rate orders issued in this proceeding.

for "feathers other than millinery goods." A first class rating was sought to be provided for this commodity when shipped in machine compressed bales. The claim was made that the double first class rating contemplated movements of feathers in bags. It was stated that the density of this commodity when moved in machine compressed bales is approximately six times that of feathers packed in bags.

The much greater density of feathers in machine compressed bales than of feathers in the form of shipment which the record shows was contemplated by the double first class rating justifies the reduction sought. A first class rating for "feathers other than millinery goods, in machine compressed bales," should be provided.

Rating on Wine

A question was said to have arisen as to whether or not the ratings provided for "liquors" are applicable to shipments of wine, in cases, and the suggestion was offered that a specific third class rating on all wines, both imported and domestic, be provided in order to remove the alleged confusion among carriers in this regard. The witness for the Association asserted that the proposed rating would not result in either an advance or a reduction. He pointed out, in this connection, that a rating of third class is named for "domestic liquors" when transported in shipping or inhaul service.

It is believed that the ratings provided for liquors may properly be applied on wines. While "domestic liquors" moving in shipping or inhaul service are ratable at third class, "imported liquors" are ratable at second class when moving in those types of services. Moreover, imported and domestic liquors moving in city delivery service are ratable at first class and when moving in other than shipping, inhaul or city delivery service are ratable at first

or second class (depending upon the manner of packing) under the provisions of the Western Classification. Consequently, it appears that the adoption of the proposed third class rating for wines, both imported and domestic, would result in substantial reductions. Aside from the assertion that the rating sought would avoid confusion in computing charges, no evidence of probative value to support the proposal was introduced. It should be denied.

Rating on Sheet Iron Air Heaters

A proposal was made that a rating of one and one-half times first class be provided for "sheet iron air heaters," when shipped loose. The supporting testimony was that the density of heaters of this kind is approximately 2 pounds per cubic foot and that the density of ordinary freight is from 11 to 15 pounds per cubic foot.

"Sheet iron air heaters" are not listed in the classification provided in outstanding orders in this proceeding or in the "Western Classification. The class rate now applicable cannot, therefore, be ascertained. In the absence of a more definite showing of the nature of the commodity and of the transportation characteristics the proposal should not be adopted.

Rates on Deciduous Fruits

The present rates for transportation of deciduous fruits from ice houses in San Francisco to steamship docks and piers are stated in cents per package, the volume of the rates depending upon the kind of fruit and the size of the package transported. A proposal was made that a specific rate of 7 cents per 100 pounds be provided for such movements of epples, grapes and pears. The witness claimed

Due to the fact that the proposed rate is stated in cents per 100 pounds, whereas the present rates are stated in cents per package, comparison can only be made in a general way; however, it appears that when the package rates are converted into rates in cents per 100 pounds the proposed rate is, in every instance, somewhat lower than those now in effect.

that the present rates contemplated movements in the wholesale market district at San Francisco, whereas the movement for which the 7 cent rate is sought is more nearly comparable to a steamship transfer, for which a rate of 62 cents per 100 pounds is now provided.

It has not been shown that the transportation conditions

It has not been shown that the transportation conditions encountered in the movement of deciduous fruits from refrigeration plants to docks and piers are comparable to those attending steamship transfer movements, nor has any other sufficient justification for the sought rate been shown. The proposal should be rejected.

Cancellation of Rate on Rice and Rice Mill Products

A rate of 4-3/4 cents per 100 pounds, minimum weight 20,000 pounds, is now provided for the transportation of rice and rice mill products. The representation was made at the hearing that this rate was originally published to take care of movements from and to a rice mill located at Islais Creek, which location was within Zone 2 at the time the rate was established. It was pointed out, however, that by a subsequent change in zone boundaries Islais Creek was included in Zone 1, and the assertion was made that, by reason of this change, the specific rate was no longer required.

It cannot be determined conclusively from the record whether or not other shippers in the territory involved are using the rate in question. If in fact it is not being used there does not appear to be any urgent need for its cancellation. If, on the other hand, the rate is being applied for movements for other rice mills, the showing made would not justify its removal. The rate should not be cancelled at this time.

Minimum Charge for Transporting Commodities for Bagging Houses

Prior to the issuance of Decision No. 30955 of June 6, 1938, in this proceeding, a minimum charge of 40 cents per shipment applied

in connection with rates named for shipments of commodities for bagging houses transported in inhaul and outhaul movements. By that decision a rate was established to apply on such shipments from private warehouses to bagging houses between points in Zone 1 and the minimum charge of 40 cents per shipment was eliminated through inadvertence. The Association's witness urged that this minimum charge be restored and that it be made applicable to the rate established by Decision No. 30955, supra.

In view of the fact that the minimum charge was eliminated unintentionally it should be restored and made applicable as requested.

Hendling and Distribution of Pool Car Shipments

Due to numerous amendments, adding and changing particular provisions, the rule providing for the handling and distribution of pool car shipments has become quite complex. It is recommended, therefore, that this rule be restated and reestablished in its entirety in order to clarify and consolidate amendments heretofore made.

Upon careful consideration of all the facts of record, I am of the opinion and find that the changes and modifications sought are justified to the extent shown in Appendix "A" of the order herein and that all other proposals have not been justified on this record.

The following form of order is recommended:

ORDER

IT IS HEREBY ORDERED that Exhibit "A" of Decision No. 28632, dated March 16, 1936, as amended, in the above entitled proceeding, be and it is hereby further amended to the extent shown in Appendix "A" attached hereto and hereby made a part hereof.

IT IS HEREBY FURTHER ORDERED that in all other respects said Decision No. 28632, as amended, shall remain in full force and effect.

The effective date of this order shall be twenty (20) days from the date hereof.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at Los Angeles, California, this ______day of

Commissioners

APPENDIX "A" Ratings, rules and regulations provided in Exhibit "A" of Decision No. 28632, and as amended, are hereby further amended as follows: Feathers, other than millinery goods 1. Change the commodity description "Feathers, other than millinery goods - D-1" appearing on original page 12 to read: *Feathers, other than millinery goods, in .bags, not machine compressed - - -"Feathers, other than millinery goods, in machine compressed bags or bales - - -Precision Steel 2. Change the commodity description "Precision Steel-2" appearing on original page 13 to read: "Precision Steel, loose - - - 2 *Precision Steel, in boxes or crates - - - 3" Commodities transported for Bagging Houses 3. Add to Item 55 appearing on page 1 of Appendix "A" of Decision No. 30955, the following: "Subject to minimum charge of 40 cents per shipment." Handling and Distribution of Pool Cars Substitute the following item for the item "Handling and Distribution of Pool Cars" appearing on page 9 of Decision No. 29595, as amended: "For handling and distributing pool car shipments charges shall be computed as follows: (See Note 1) (1) For sorting and other accessorial services, including transportation to ultimate delivery address of consignee or sub-consignee: (a) New Furniture, 35 cents per 100 pounds subject to a minimum charge of 75 cents. (b) Property other than New Furniture, apply rating one class higher than otherwise applicable. (See Exception) (2) For sorting and other accessorial services, when carrier performing such services does not perform transportation to ultimate delivery address of consignee or sub-consignee, apply 50% of the charge provided in paragraph (1).

EXCEPTION.- No increase in rating shall apply on lots of 20,000 pounds or more delivered to one address, nor to lots of less than 20,000 pounds when charges based on a minimum weight of 20,000 pounds are less than charges based on actual weight and the higher rating.

NOTE 1.- The term "Pool Car," as used herein, means a lot of property consigned to:

- (a) A Carrier with instructions for ultimate delivery to two or more sub-consignees, or to one sub-consignee at more than one delivery address, or,
- (b) A consignee (other than a carrier) on which a carrier has instructions to make ultimate delivery to two or more delivery addresses of the consignee, or to one or more sub-consignees, or to a sub-consignee at more than one delivery address."