

Decision No. 39544

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SIGNAL TRUCKING SERVICE, LTD., a)
 corporation, for authority to depart)
 from the rates, rules and regulations)
 of Highway Carriers' Tariff No. 2 under)
 the provisions of the Highway Carriers')
 Act.)

ORIGINAL

Application No. 27769

AppearancesEdward M. Berol, for applicant.I. L. Longworth, for Southern California Freight Forwarders and Southern California Freight Lines, interested parties.O P I N I O N

By this application Signal Trucking Service, Ltd., a corporation operating under permits of a highway contract carrier, a radial highway common carrier, and a city carrier, seeks authority to charge other than the minimum rates established for the transportation of certain property within Los Angeles County.

Public hearing was had before Examiner Bryant in Los Angeles on September 30, 1946 and the matter is ready for decision.

The transportation involved herein is that to be performed for Joseph T. Ryerson & Son, Inc. According to the record the Ryerson Company is a jobber dealing in the sale and distribution of iron and steel structural materials and in babbitt metal. The company has in the process of completion a plant located at 4310 East Bandini Boulevard, a short distance east of the City of Vernon in Los Angeles County. As its business develops, it expects to have need for a

substantial volume of highway transportation to serve customers within Los Angeles County, principally within the metropolitan Los Angeles industrial area.¹ An official of the company testified that its transportation requirements are exacting, for the successful operation of the business requires expedited delivery of shipments. The company considers that it must have the exclusive use of delivery equipment to meet its service requirements. He declared also that iron and steel structural materials are difficult to handle, and that their safe and efficient transportation demands the use of special trucking equipment and specially trained drivers.

Applicant's president testified that he had made arrangements to furnish Ryerson with the kind of transportation services it desires. At the outset he would supply Ryerson with three units of special equipment with drivers for its exclusive use, and would procure and furnish additional special equipment as required. Standby service would be provided from applicant's regular fleet.

The minimum rates prescribed for the transportation services in question, in so far as they would be performed beyond the limits of Los Angeles drayage area, are stated in cents per 100 pounds, and vary according to the classification of the commodities and weights of the individual shipments. (Decision No. 31606, as amended in Case No. 4246). An alternative method of assessing minimum rates in terms of weekly or monthly charges per vehicle used is prescribed for application within the Los Angeles drayage area.² Applicant seeks au-

¹ It was estimated that three units of motor vehicle equipment will be required immediately and that 20 to 30 units will be needed within a year's time.

² The Los Angeles drayage area is described in Items Nos. 30, 31, 32 and 33 series of City Carriers' Tariff No. 4 - Highway Carriers' Tariff No. 5 (Appendix "A" to Decision No. 32504, as amended). The weekly and monthly rates are set forth in Item No. 430 series of the tariff.

thority to establish a scale of rates and charges which is somewhat higher than, but is otherwise based upon, the drayage area charges.³ The proposed rates were asserted to be well suited to the operation involved. They provide a basis of charges agreed upon and acceptable to Ryerson. It was testified that they would provide a means for the easy computation of charges, and would permit applicant to effect economies in billing and in other clerical work.

Applicant's president stated that he had had considerable experience in performing transportation under weekly and monthly minimum rates. Basing estimates on his experience, he declared that he was satisfied that under present costs, the proposed rates and charges would prove to be fully compensatory. He stated that on some shipments the proposed rates would return lesser revenues than those which would accrue were the minimum rates in cents per 100 pounds assessed. He believed, however, that the total revenue from the proposed rates would exceed that which would be realized from strict application of the minimum rates. Applicant's witness further stated that the agreement with Ryerson provides for upward adjustments in the proposed rate scale to compensate for future increases in labor costs; also it provides that the rate scale will be adjusted to conform to the minimum weekly and monthly rates provided in City Carriers' Tariff No. 4 should the Commission hereafter make such rates higher than those proposed. Applicant requested that the agreed modification of the proposed rates, to reflect increases in the minimum weekly and monthly rates in City Carriers' Tariff No. 4, be made a condition of such authority as may be granted herein.

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The proposed rates are set forth in Appendix "A" attached hereto.

No one opposed the granting of this application.

Upon this record the proposed rates appear reasonable. Applicant will be authorized to charge and assess such rates for shipments transported from the Ryerson company plant to points within Los Angeles County. No sufficient reason was shown for incorporating in the authority hereinafter granted the proposed condition that the rates authorized be made subject to increases in City Carriers' Tariff No. 4. The rates involved herein are minimum only and applicant may increase them without specific authority from the Commission. Due to the possibility that the conditions which justify the granting of the authority sought may change at any time, the authority will be limited to ^a period of one year and made subject to earlier cancellation, modification or extension by appropriate order of the Commission. Should it develop that an extension of time will be desired, applicant should make timely filing of a supplemental application and should be prepared to submit data showing that the rates have proved to be compensatory under actual operating experience.

Upon careful consideration of all of the facts and circumstances of record in this proceeding, the Commission is of the opinion and finds as a fact that the rates set forth in Appendix "A" hereof are reasonable for the transportation of iron and steel structural materials and babbitt metal from the plant of Joseph E. Ryerson & Son, Inc. to points within Los Angeles County.

O R D E R

This application having been duly heard and submitted, full consideration of the matters and things involved having been had and the Commission now being fully advised,

IT IS HEREBY ORDERED that

1. Signal Trucking Service, Ltd. be and it is hereby authorized to transport iron and steel structural materials and babbitt metal for Joseph T. Ryerson & Son, Inc. at the rates and subject to the rules, regulations, conditions and restrictions set forth or specifically referred to in Appendices "A" and "B" attached hereto and by this reference made a part hereof.

2. The authority herein granted shall expire one (1) year from the effective date of this order, unless sooner cancelled, changed or extended by appropriate order of the Commission.

The effective date of this order shall be ten (10) days from the date hereof:

Dated at San Francisco, California, this 27th day of October, 1946.

Harold A. Kula
Justice F. Cassen
Francis J. Jones
Earl A. Fulle
A. Z. [unclear]
 Commissioners

APPENDIX "A" TO DECISION NO. 39544UNIT RATES, RULES AND REGULATIONS

<u>Weight in Pounds</u> <u>Subject to Note 1:</u>	<u>Column</u> <u>1</u>	<u>Column</u> <u>2</u>	<u>Column</u> <u>3</u>	<u>Column</u> <u>4</u>	<u>Column</u> <u>5</u>
2,500 or less	88	280	325	5½	159
Over 2,500 but not over 5,000	96	308	355	7	159
Over 5,000 but not over 8,000	100	321	368	7½	159
Over 8,000 but not over 12,000	111	359	410	8	159
Over 12,000 but not over 20,000	126	396	454	9	174
Over 20,000 but not over 30,000	136	431	492	9½	174
Over 30,000	176	561	631	12	184

COLUMN 1 -- Rates in dollars per unit of carrier's equipment for a period of 6 successive days or any portion thereof, excluding Sundays and holidays, and limited to 8 hours out of each 9 consecutive hours. When equipment is operated in excess of 300 miles during such period, add rates provided by Column 4. When equipment is operated in excess of 8 hours in each 9 hours, add rates provided by Column 5.

COLUMN 2 -- Rates in dollars per unit of carrier's equipment for a period of 21 successive days or, when the equipment is not operated on Saturdays, Sundays and holidays, for a period of 21 successive days exclusive of Saturdays, Sundays and holidays, or any portion of such periods. When equipment is operated in excess of 1,050 miles during the period, add rates provided by Column 4. When equipment is operated in excess of 8 hours in any one day, add rates provided by Column 5.

COLUMN 3 -- Rates in dollars per unit of carrier's equipment for a period of 25 successive days or when the equipment is not operated on Sundays and holidays, for a period of 25 successive days, exclusive of Sundays and holidays, or any portion of such periods. When equipment is operated in excess of 1,250 miles during the period, add rates provided by Column 4. When equipment is operated in excess of 8 hours in any one day, add rates provided by Column 5.

COLUMN 4 -- Rates in cents per mile to be added to the Column 1, 2, & 3 rates when the unit of carrier's equipment is operated in excess of the maximum mileage allowed thereunder.

COLUMN 5 -- Rates in cents per hour to be added to the Column 1, 2 & 3 rates when the unit of carrier's equipment is operated in excess of the maximum hours allowed thereunder.

Note 1 -- Weight in pounds is the gross weight of the property transported by the unit of carrier's equipment at the time the equipment is transporting the greatest (heaviest) load during the period covered by the transaction. No allowance shall be made for weight of containers.

End of Appendix "A"

APPENDIX "B" TO DECISION NO. _____

in Application No. 27769

The rates authorized by this decision are subject to the following rules, regulations, conditions and restrictions:

1. Rates apply only for the transportation of iron and steel structural materials and babbitt metal for Joseph T. Ryerson & Son, Inc. between its plant located at 4310 East Bandini Boulevard in Los Angeles County, and other points within Los Angeles County.

2. Rates are subject to Items Nos. 10, 11, 150, 160 and 401 series of City Carriers' Tariff No. 4, Highway Carriers' Tariff No. 5 (Appendix "A" to Decision No. 32504, as amended in Case No. 4121).

3. Signal Trucking Service Ltd. shall issue, for each vehicle furnished, a shipping document containing a certification that during the period covered by the document the vehicle was operated only in transportation service for which rates are provided by this decision (or full explanation of other operations, with reference to shipping documents covering), showing rates and charges assessed, and containing all such information respecting each of the factors entering into the computation of the charges as may be necessary to verify the lawfulness of the charges assessed. Signal Trucking Service, Ltd. shall retain and preserve a copy of each such shipping document, subject to the Commission's inspection, for a period of not less than three (3) years from the date of its issuance.

End of Appendix "B"