

ORIGINAL

Decision No. 41032

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into)
the rates, rules, regulations, charges,)
allowances, and practices of all common)
carriers, highway carriers and city) Case No. 4808
carriers relating to the transportation)
of property.)

Application of the Truck and Warehouse)
Association of San Diego and Imperial)
Counties for the establishment of)
increased minimum rates for the trans-) Application No. 28715
portation of property within the)
San Diego Drayage Area.)

Appearances

Willard Barr, for the Truck and Warehouse Association of
San Diego and Imperial Counties, petitioner
and applicant.

Virgil B. Windle, Russell S. Stowell, Don J. Glardon,
Fred W. Cole, Ralph L. Smith, E. E. Gould,
Preston W. Davis, Arno Mueller, and Jack
Stocking, for various respondent carriers
and appearing in support of the application.

O. T. Helpling, Neil E. Brown, and Herbert R. Coffrain,
for various shippers and organizations,
interested parties.

(As applying to Case No. 4808, the appearances shown above
are those entered in the instant phase of this proceeding.
For earlier appearances see previous decisions in this
case.)

O P I N I O N

Case No. 4808 is a general investigation covering rates,
rules, and regulations for the transportation of all classes of
property by for-hire carriers between points within this state.
This opinion deals with the level of minimum rates established for
the transportation of property within the San Diego drayage area,
and with minimum rate increases sought in the application of the

Truck and Warehouse Association of San Diego and Imperial Counties.¹

Hearings in these proceedings were had before Examiner Bryant at San Diego on October 31 and November 7, 1947.

Evidence was introduced by applicant Association to show that the carriers' costs of operation have undergone substantial increases in almost every category since the present level of minimum rates for the drayage area was established in 1937. According to an exhibit setting forth comparative expense figures, labor costs for 1947 are 100 to 145 per cent higher than they were in 1937; other expenses, such as tires, office supplies, rent, fuel, depreciation and taxes and licenses, have increased from 13 per cent to 163 per cent during the ten-year period. The Association alleged that because of such expense increases an immediate increase in the minimum rates is necessary to sustain present operation of the carriers serving the San Diego drayage area and to prevent substantial losses.

A witness testified that Association members had tried to measure the effect of the various increases in operating costs. He said that the carriers perform other transportation services in addition to drayage and that they do not segregate, in their books of account, the expenses applicable to the separate services. Therefore, in the absence of specific cost data, the carriers determined

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Applicant is an unincorporated, non-profit association, acting herein on behalf of carriers operating within the San Diego drayage area. Minimum rates, rules and regulations for the transportation of property between points within and in the vicinity of San Diego were first established by Decision No. 30021, dated August 9, 1937, in Cases Nos. 4135, 4139, and 4088 (Part "K"). Such rates, rules and regulations were generally incorporated without change in currently applicable City Carriers' Tariff No. 7, Highway Carriers' Tariff No. 9 (Appendix A Decision No. 35055, dated February 24, 1942, in Cases Nos. 4088 (Part "K"), 4135, 4139, 4246, and 4434.)

rates which, in their judgment, would be reasonable and necessary to maintain their drayage operations.² Various carrier witnesses also testified in support of the application and supplied information relating to their experience in transporting specified commodities between points within the drayage zone.

A transportation engineer of the Commission's staff introduced and explained an exhibit setting forth an analysis he had made of the cost of carriers' operations within the San Diego drayage area. In his exhibit the engineer undertook to develop the full costs, including an allowance for profit, of the transportation services performed.³ He said that the data for his analysis had been obtained, in so far as possible, directly from the carriers' records and from test checks of the carriers' actual performances. In certain respects in which representative data were not available, he included figures derived from other proceedings which in his judgment were comparable. The cost figures so developed were reduced to charges in cents per 100 pounds, per hour, per week and per month to permit ready comparison with the present scales of minimum rates and charges.

A representative of the Port Commission of San Diego opposed granting of the increases sought in so far as they would apply to the transportation of sugar. He said that sugar in considerable quantities was stored in warehouse facilities owned by the City of San Diego and that the transportation of sugar therefrom was performed under particularly favorable circumstances which justified lower rates

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In general, the carriers proposed an increase of $66\frac{2}{3}$ per cent in the class rates and minimum charges; the establishment of specific rates for the unloading and/or segregation of pool car shipments; substantial increases in accessorial charges, charges for delays in equipment, and hourly rates.

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The engineer's "costs" include a profit based upon an operating ratio of about 93 per cent. Wherever reference is made herein to the engineer's costs, it should be understood the profit is included.

than those herein proposed. He submitted a proposed schedule of rates applicable to sugar which the Association agreed would be satisfactory and which, by stipulation, was incorporated as part of the application. In other respects granting of the application, as amended at the hearing, was not opposed.

Should the present minimum class rates be increased uniformly in the amount of $66\frac{2}{3}$ per cent, as proposed by the Association, the resultant rates would be insufficient in some respects and excessive in others. This appears from the figures developed by the Commission engineer which relate the costs to the services performed. The minimum class rates, except those applicable to a minimum weight of 10,000 pounds, will be increased in substantial accordance with the operating costs as developed by the engineer. Class rates subject to a minimum weight of 10,000 pounds cannot be adjusted on this record.⁴

Included in the San Diego drayage tariff, in addition to class rates, are hourly, weekly, and monthly vehicle-unit rates. Although the Association submitted no specific proposal to increase the weekly or monthly rates, it proposed that higher hourly rates be established. A comparison of the cost figures developed by the Commission engineer shows that the present hourly rates are inadequate. Appropriate increases in the present minimum hourly rates will be ordered.⁵

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Practically no evidence was presented to show a need for increases in the present minimum rates applicable to shipments of 10,000 pounds or more. Such evidence as was supplied was generally related to specific commodities and indicated that although the present rates may be insufficient in some respects, they are more than sufficient in others.

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Hourly rates proposed by the Association were based upon rated capacities of the vehicles used. Since actual carrying capacities of vehicles vary considerably from their rated capacities, the present basis of assessing hourly rates in relation to the weight of the shipments transported will be retained in the tariff.

The present minimum weekly and monthly vehicle-unit rates likewise appear inadequate in the light of operating costs disclosed by the engineer's figures. However, with reference to these particular rates the engineer's figures do not provide an altogether satisfactory basis for rate adjustments.⁶ Rather than wholly withhold necessary rate relief at this time, the weekly and monthly vehicle-unit rates may be increased to the level of those recently found necessary and justified within the Los Angeles Drayage Area.⁷ Such rates are lower than the cost figures submitted by the Commission engineer, and are fully justified on this record. Further adjustments may be found necessary when more complete data relating specifically to the cost of rendering these services within the San Diego Drayage Area are available.

Other proposals of the Association pertain to the establishment of specific rates for the unloading and segregation of pool car shipments, to the establishment of commodity rates for the transportation of sugar in minimum quantities of 4,000 and 10,000 pounds, to charges for service performed during other than regular working hours, to charges for delays to equipment, and to charges for minimum shipments. The evidence does not justify the establishment of specific rates for pool car shipments; rates for such shipments may be the

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The cost figures include certain allowances for overhead expense which would be incurred in connection with transportation performed under class or hourly rates but not under weekly or monthly rates. The information necessary to make proper adjustment of these allowances is not available.

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Effective August 3, 1947, by Decision No. 40516, dated July 8, 1947, in Case No. 4121, the minimum vehicle-unit rates applicable within the Los Angeles Drayage Area were increased upon a comprehensive record reflecting recent operating costs. Transportation conditions in San Diego area, although not wholly comparable to those in Los Angeles area, are sufficiently similar to justify the adoption of the Los Angeles rates as herein provided.

subject of consideration in a further proceeding upon the filing of appropriate petition therefor. The Association proposed special rates for sugar since the costs of transportation of this commodity appeared to justify lesser rate increases than those proposed for general commodities. However, the justification which was submitted in support of this proposal related only to shipments of 10,000 pounds or more. Since increases in the present class rates for such shipments have not been justified on this record, special rates for sugar need not be provided herein. Increases in the other charges as proposed are justified in the light of the circumstances disclosed on this record, and will be authorized.

Upon careful consideration of all of the evidence herein, the Commission is of the opinion and finds that the San Diego drayage tariff should be further amended as shown in the revised pages attached to and made a part of the order which follows, and that in all other respects Decision No. 35055, supra, as amended, should remain in full force and effect.

O R D E R

An adjourned public hearing having been held in the above entitled proceedings, and based upon all of the evidence and upon the conclusions and findings contained in the preceding opinion,

IT IS HEREBY ORDERED that City Carriers' Tariff No. 7, Highway Carriers' Tariff No. 9 (Appendix "A" to Decision No. 35055, as amended, in Cases Nos. 4246 and 4434) be and it is hereby further amended by substituting for the corresponding pages now contained therein the revised pages attached hereto and by this reference made a part hereof, which pages are numbered as follows:

First Revised Page 11	cancel	Original Page 11
First Revised Page 12	cancel	Original Page 12
First Revised Page 18	cancel	Original Page 18
First Revised Page 19	cancel	Original Page 19
First Revised Page 22	cancel	Original Page 22
First Revised Page 23	cancel	Original Page 23
First Revised Page 24	cancel	Original Page 24

IT IS HEREBY FURTHER ORDERED that tariff publications required to be made by common carriers as a result of the amendments hereof of the aforesaid tariff shall be made effective January 15, 1948, on not less than three (3) days' notice to the Commission and to the public.

IT IS HEREBY FURTHER ORDERED that in all other respects the application of the Truck and Warehouse Association of San Diego and Imperial Counties, referred to in the preceding opinion, be and it is hereby denied.

In all other respects said Decision No. 35055, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 17th day of December, 1947.

Harold P. Hull
Justus J. Green
W. H. Lowell
R. J. Dwyer

Commissioners

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CITY CARRIERS' TARIFF NO. 7

HIGHWAY CARRIERS' TARIFF NO. 9

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)								
	<p style="text-align: center;">APPLICATION OF RATES</p> <p>(a) Rates provided in this tariff are for the transportation of shipments, as defined in Item No. 11 series from point of origin to point of destination, and include loading into and unloading from the carrier's equipment, subject to Note 1.</p> <p>(b) For inter-city transportation of property when point of origin or point of destination is the carrier's established depot, rates shall be 5 cents per 100 pounds less than those provided herein; but in no case shall the net transportation rate be less than 5 cents per 100 pounds when applying the provisions of this paragraph.</p> <p>NOTE 1.-When a shipment is picked up at or delivered to a point not at street level, and no vehicular elevator service or vehicular ramp is provided and made available to the carrier, an additional charge of 5 cents per 100 pounds, minimum additional charge 25 cents per shipment, shall be assessed for the service of handling shipment beyond carrier's equipment; except that no additional charge shall be made for this service in connection with shipments weighing less than 100 pounds.</p>								
*100-A Cancels 100	<p style="text-align: center;">ACCESSORIAL CHARGES</p> <p>An additional charge at the rate of ◇ \$2.00 per man per hour, minimum charge 50 cents, shall be made for stacking, sorting or any other accessorial or incidental service which is not authorized to be performed under the rates named in this tariff and for which a charge is not otherwise provided; except that no additional charge shall be made for these services in connection with shipments weighing less than 100 pounds.</p>								
*110-A Cancels 110	<p style="text-align: center;">CHARGES FOR SERVICE AT OTHER THAN REGULAR WORKING HOURS</p> <p>For services performed at the request of the shipper or consignee between the hours of 5:00 P.M. and 8:00 A.M., or on Sundays and the following holidays, an additional charge equal to the additional cost of overtime shall be made:</p> <table><tr><td>New Year's Day</td><td>*Armistice Day</td></tr><tr><td>Decoration Day</td><td>Thanksgiving Day</td></tr><tr><td>Fourth of July</td><td>Christmas Day</td></tr><tr><td>Labor Day</td><td></td></tr></table>	New Year's Day	*Armistice Day	Decoration Day	Thanksgiving Day	Fourth of July	Christmas Day	Labor Day	
New Year's Day	*Armistice Day								
Decoration Day	Thanksgiving Day								
Fourth of July	Christmas Day								
Labor Day									
	<p>◇ Increase) * Change) Decision No.</p>								
	<p style="text-align: center;">EFFECTIVE JANUARY 15, 1948</p>								
	<p>Issued by the Public Utilities Commission of the State of California, Correction No. 3 San Francisco, California.</p>								

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CITY CARRIERS' TARIFF NO. 7

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HIGHWAY CARRIERS' TARIFF NO. 9

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
	<p style="text-align: center;">DELAYS TO EQUIPMENT</p> <p>*120-A Cancels 120</p> <p>Delays at point of pickup and/or delivery, exclusive of the time actually consumed in loading or unloading, resulting from any cause not the fault of and beyond the control of carrier, which exceed one-half hour will be charged for at the rate of ◇ \$3.00 per hour, minimum charge ◇ \$1.00, for all time in excess of one-half hour.</p>
	<p style="text-align: center;">MINIMUM CHARGE</p> <p>*130-A Cancels 130</p> <p>The minimum charge per shipment shall be as follows:</p> <p><u>Weight of Shipment</u></p> <p>Less than 100 pounds See Item No. 350 series 100 pounds and over ◇ 75 cents</p>
140	<p style="text-align: center;">ALTERNATIVE APPLICATION OF COMMON CARRIER RATES</p> <p>Common carrier rates may be applied in lieu of the rates provided in this tariff when such common carrier rates produce a lower aggregate charge for the same transportation between the same points of origin and destination, and for the same accessorial services, than results from the application of the rates herein provided.</p>
150	<p style="text-align: center;">DISPOSITION OF FRACTIONS</p> <p>In computing a rate based on a percentage of another rate, the following rule shall be observed in the disposition of fractions:</p> <p>Fractions of less than 1/2 of .50 of a cent, omit.</p> <p>Fractions of 1/2 or .50 of a cent or greater, increase to next whole figure.</p>
	<p>◇ Increase) * Change } Decision No. 46032</p>
	<p style="text-align: center;">EFFECTIVE JANUARY 15, 1948</p>
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CITY CARRIERS' TARIFF NO. 7

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HIGHWAY CARRIERS' TARIFF NO. 9

Item No.	SECTION NO. 2 - CLASS AND COMMODITY RATES AND RATE BASES APPLICABLE THERETO (Continued)												
*330-A Cancels 330	CLASS RATES												
	In cents per 100 pounds.												
	Rate Basis	MINIMUM WEIGHT IN POUNDS											
		(1) 100				500				2,000			
		1	2	3	4	1	2	3	4	1	2	3	4
	A	50	45	40	35	26	23	21	18	17	15	14	12
	B	53	48	42	37	36	32	29	25	19	17	15	13
	C	55	50	44	39	38	34	30	27	23	21	18	16
	D	59	53	47	41	41	37	33	29	28	25	22	20
	E	66	58	51	45	46	41	37	32	33	30	26	23
	F	70	63	56	49	54	49	43	38	39	35	31	27
	G	78	70	62	55	61	55	49	43	45	41	36	32
	Rate Basis	MINIMUM WEIGHT IN POUNDS											
		4,000				10,000							
		1	2	3	4	1	2	3	4	1	2	3	4
	A	12	11	10	8	9	8	7	6				
	B	14	13	11	10	10	9	8	7				
	C	16	14	13	11	11	10	9	8				
	D	19	17	15	13	11	10	9	8				
	E	21	19	17	15	12	11	10	9				
	F	25	23	20	18	12	11	10	9				
	G	29	26	23	20	13	12	10	9				
(1) For rates on shipments weighing less than 100 pounds, see Item No. 350 series.													
◇ Increase } * Change } Decision No. 71032													
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CITY CARRIERS' TARIFF NO. 7

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HIGHWAY CARRIERS' TARIFF NO. 9

Item No.	SECTION NO. 2 - CLASS AND COMMODITY RATES AND RATE BASES APPLICABLE THERETO (Concluded) COMMODITY RATES	
340	Cement, portland, building	
	Minimum Weight 28,500 Pounds	
	<u>Miles</u>	Rates in Cents per 100 Pounds
	Over But not over	(Subject to Notes 1 and 2)
	0 2½	2½
	For each additional 5 miles or fraction thereof, add 1/2	
	NOTE 1.--Rates are not subject to the provisions of Items Nos. 90, 110 and 120 series. Rates include loading into and unloading from carrier's equipment.	
	NOTE 2.--If the charge accruing under Item No. 330 series of this tariff is lower than the charge accruing under this item on the same shipment between the same points, the charge accruing under Item No. 330 series will apply.	
*350-A Cancels 350	FREIGHT, regardless of classification, transported between or within the zones described in Items Nos. 30 and 31 series,	
	<u>Weight in Pounds</u>	◊ Rates in Cents per Shipment
	5 or less	20
	Over 5 but not over 10	27
	Over 10 but not over 15	34
	Over 15 but not over 35	41
	Over 35 but not over 55	50
	Over 55 but not over 75	58
	Over 75 but not over 100	66
	◊ Increase) * Change)	Decision No. 41032
EFFECTIVE JANUARY 15, 1948		
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Item No.	SECTION NO. 3 - UNIT RATES, RULES AND REGULATIONS (Continued)
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FREIGHT, regardless of classification, transported between or within the zones described in Items Nos. 30 and 31 series, subject to Notes 1 and 2:

<u>Weight in Pounds</u>	<u>Rates in Cents per Hour</u>	<u>Minimum Charges in Cents</u>
250 or less	◇ 300	◇ 150
Over 250 but not over 500....	◇ 300	◇ 200
Over 500 but not over 2,000....	◇ 300	◇ 300
Over 2,000 but not over 3,000....	◇ 325	◇ 325
Over 3,000 but not over 8,000....	◇ 350	◇ 350
Over 8,000 but not over 12,000....	◇ 375	◇ 375
Over 12,000 but not over 20,000....	◇ 425	◇ 425
Over 20,000	500	500

*370-A
Cancels
370

NOTE 1.-Weight in pounds is the greatest (heaviest) gross weight of the property transported by the unit of carrier's equipment at one time during a single transaction. No allowance shall be made for weight of containers.

NOTE 2.--(a)The total of the loading, unloading and driving time computed from the arrival of carrier's equipment at point of origin or first point of origin when more than one point of origin is involved, to the time unloading is completed at point of destination, or last point of destination when more than one point of destination is involved, subject to paragraph (b) hereof, shall be used to compute charges.

(b)In computing time under the basis outlined in paragraph (a) hereof the various time factors shall be not less than the actual time involved in minutes. After the total time has been determined under the provisions of paragraph (a) hereof, it shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the following table.

Less than 8 minutesomit.
 8 minutes or more but less than 23 minutes shall be 1/4 hour.
 23 minutes or more but less than 38 minutes shall be 1/2 hour.
 38 minutes or more but less than 53 minutes shall be 3/4 hour.
 53 minutes or more shall be 1 hour.

◇ Increase }
 * Change } Decision No. 41032

EFFECTIVE JANUARY 15, 1948

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Item
No. SECTION NO. 3 - UNIT RATES, RULES AND REGULATIONS (Concluded)

FREIGHT, regardless of classification, transported between or within the zones described in Items Nos. 30 and 31 series:

Weight in Pounds subject to Note 1:	Column 1	Column 2	Column 3	Column 4	Column 5
2,500 or less.....	116	366	424	5 1/2	266
Over 2,500 but not over 5,000....	124	393	456	7	266
Over 5,000 but not over 8,000....	129	409	469	7 1/2	266
Over 8,000 but not over 12,000....	140	450	513	8.8	266
Over 12,000 but not over 20,000....	155	486	558	9 1/2	288
Over 20,000 but not over 30,000....	167	518	598	10	288
Over 30,000.....	205	650	739	12 1/2	295

COLUMN 1-Rates in dollars per unit of carrier's equipment for a period of six 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.

*380-A
Cancels
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COLUMN 2-Rates in dollars per unit of carrier's equipment for a period of twenty-one successive days or, when the equipment is not operated on Saturdays, Sundays and holidays, for a period of twenty-one 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 twenty-five successive days or, when the equipment is not operated on Sundays and holidays, for a period of twenty-five 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 and 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 and 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 TARIFF

◇ Increase)
* Change) Decision No. 41032
◊ Reduction)

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