

ORIGINAL

Decision No. 41870

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SIGNAL TRUCKING SERVICE, LTD., a cor-)
poration, for authority to depart from)
the rates, rules, and regulations of)
City Carriers' Tariff No. 4, Highway)
Carriers' Tariff No. 5, and Highway)
Carriers' Tariff No. 2, under the pro-)
visions of the City Carriers' Act and)
of the Highway Carriers' Act)

Application No. 27666
(Third Supplemental)

Appearances

L. M. Hail, for Southern California Freight Lines
and Southern California Freight Forwarders

(Earlier appearances are listed in Decision No. 41328
in this proceeding.)

THIRD SUPPLEMENTAL OPINION

Signal Trucking Service, Ltd., is a corporation operating under permits of a highway contract carrier, a radial highway common carrier, and a city carrier. It seeks authority to charge other than the minimum rates established for the transportation of property between points within and in the vicinity of Los Angeles.

Public hearing of the matter was had before Examiner Abernathy at Los Angeles on June 25, 1948.

The transportation involved herein is that which applicant performs for Sears, Roebuck and Company. In general, applicant seeks authority to assess rates for this transportation which are on different bases than those provided in the applicable minimum rate tariffs. Similar authority to that herein sought was granted for a 120-day period by Decision No. 41328, effective March 26, 1948. In the earlier hearing in this proceeding it was represented that the differences between the proposed rates and the minimum rates are principally technical and that in most instances the revenues from the proposed

rates would be as great or greater than would accrue from the minimum rates.¹ However, the proposed rates would enable applicant to meet special transportation requirements of Sears, Roebuck and Company and would permit increased efficiencies in the operations of both applicant and the shipper.

Evidence to show that the proposed rates for the various transportation services which applicant performs would be compensatory was submitted by a consulting engineer and by applicant's president.² The engineer introduced financial exhibits covering studies he had recently made into the de luxe delivery, the package delivery and the mail order services. These exhibits indicate that those operations under the proposed rates would result in an operating ratio of approximately 93. Figures to show anticipated operating results from weekly and monthly rates proposed for the shuttle service were not supplied. However, applicant's president testified that his company charges comparable rates in the area herein involved for similar transportation performed for another shipper and finds the rates are profitable, resulting in an operating ratio of 94 to 95. Referring to certain hourly rates which are proposed, the witness said that his company has had considerable operating experience under such rates and had found them to be profitable.³

1

The evidence received in the earlier matter was made part of the instant record by stipulation.

2

Several types of transportation service are involved in this matter: shuttle, package delivery, mail order, de luxe delivery, and leasing of vehicles. The different services are described in Decision No. 41328, supra.

3

Applicant's president also testified regarding the leasing of equipment. He said that such equipment was leased without driver and that it was under the exclusive control of Sears, Roebuck and Company while being operated by them.

The combined records in this proceeding are convincing that the above described transportation services performed for and required by Sears, Roebuck and Company are of such special nature as to justify departures from the prescribed minimum rates. We are persuaded that the proposed rates are reasonable and compensatory. The sought authority, as specifically set forth in the following order, will be granted. However, the authority will be limited in duration, since the reasonableness and profitableness of the rates may be negatived by future changes in operating conditions. The evidence indicates that the trend of applicant's operating expenses is upward. In view of these circumstances the authority will be limited to six months from the effective date of this order. It may be extended at the end of that period by further order of the Commission upon satisfactory showing by applicant of the continued need for, and reasonableness of, the rates herein authorized.

O R D E R

The above-entitled application having been heard and submitted, full consideration of the matters and things involved having been had, and based upon the conclusions and findings in the preceding opinion,

IT IS HEREBY ORDERED that

1. Signal Trucking Service, Ltd., be and it is hereby authorized to depart from the rates, rules and regulations set forth in Highway Carriers' Tariff No. 2 (Appendix "D" to Decision No. 31606, as amended, in Case No. 4246) and in City Carriers' Tariff No. 4, Highway Carriers' Tariff No. 5 (Appendix "A" to Decision No. 32504, as

amended in Case No. 4121) to the extent that alternative rates, rules, regulations, and conditions are provided in Appendix "A," attached hereto and by this reference made a part hereof, for the transportation of shipments for Sears, Roebuck and Company.

2. The authority herein granted shall be in lieu of and in substitution for that granted by Decision No. 41328 of March 16, 1948, in this proceeding.

3. The authority herein granted shall expire six months from the effective date of this order unless sooner cancelled, changed or extended by appropriate order of this Commission.

The effective date of this order shall be July 24, 1948.

Dated at San Francisco, California, this 20th day of July, 1948.

R. F. Johnson
Justus F. Calver
Wesley R. Riddle
Harold P. Kels

Commissioners

APPENDIX "A" TO DECISION NO. 41870
IN APPLICATION NO. 27666 (THIRD SUPPLEMENTAL)

Naming

Rates, rules, regulations, conditions, and restrictions applicable to the transportation of property for Sears, Roebuck and Company between points within a radius of 4.5 constructive miles, computed in accordance with the provisions of Distance Table No. 3 (Appendix "A" of Decision No. 31605, as amended, in Case No. 4246), from the intersection of First and Main Streets, Los Angeles.

The transportation services designated herein are described in Decision No. 41328 in Application No. 27666 (Second Supplemental).

SHUTTLE DELIVERY SERVICE - HOURLY RATES

<u>Weight in Pounds</u>	<u>Rates in Cents Per Hour</u>	<u>Minimum Charges in Cents</u>
250 or less	284	142
Over 250 but not over 2,500	354	354
Over 2,500 but not over 5,000	392	392
Over 5,000 but not over 8,000	424	424
Over 8,000 but not over 12,000	466	466
Over 12,000 but not over 20,000	519	519
Over 20,000 but not over 30,000	549	549
Over 30,000	687	687

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 minutes	omit.
8 minutes or more but less than 23 minutes -	$\frac{1}{4}$ hr.
23 minutes or more but less than 38 minutes -	$\frac{1}{2}$ hr.
38 minutes or more but less than 53 minutes -	$\frac{3}{4}$ hr.
53 minutes or more shall be	1 hour.

Note 3. -- Between the hours of 6:00 p.m. and 7:00 a.m., and on Sundays or holidays, an additional charge at the rate of 75 cents per hour (or fraction thereof) shall be assessed.

SHUTTLE DELIVERY SERVICE - WEEKLY AND MONTHLY RATES

Weight in Pounds Subject to Note 1:	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
2,500 or less	116	366	424	5½	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	7½	266
Over 8,000 but not over 12,000	140	450	513	8	266
Over 12,000 but not over 20,000	155	486	558	9½	288
Over 20,000 but not over 30,000	167	518	598	10	288
Over 30,000	205	650	739	12½	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.

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.

SHUTTLE DELIVERY SERVICE - RATES FOR EXTRA SEMI-TRAILERS

Rate per trailer, per month \$70.00

SHUTTLE DELIVERY SERVICE-- RULES AND REGULATIONS

(a) Rates apply only for the transportation of property, regardless of classification, between stores, warehouses or other properties owned, leased, operated, or controlled by Sears, Roebuck and Company.

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

(c) Rates are subject to an additional charge at the rate of \$1.65 per man, per hour, minimum charge 50 cents, when carrier furnishes help in addition to the driver. The time for computing the additional charge shall be not less than the actual time in minutes the helper or helpers are engaged in performing the services. The total time so computed 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 $\frac{1}{4}$ hr.
23 minutes or more but less than 38 minutes	shall be $\frac{1}{2}$ hr.
38 minutes or more but less than 53 minutes	shall be $\frac{3}{4}$ hr.
54 minutes or more	shall be 1 hour.

(d) 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 herein provided (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.

PACKAGE DELIVERY SERVICE

The rate for the delivery of packages will be 23 cents per package plus one cent for each pound or fraction thereof of its gross weight.

COMBINATION PACKAGES

Two or more articles or packages not uniform in size or shape, tied together, will be charged for as individual packages.

REFUSAL OF UNSAFE PACKAGES

The carrier reserves the right to refuse any package which by reason of the dangerous or other character of its contents is liable, in the judgment of the carrier, to soil, taint or otherwise damage other merchandise or the carrier's equipment, or which is improperly or insecurely packed or wrapped.

CORRECTION OF WRONG ADDRESSES

If the carrier is unable to deliver any package because of incorrect

address, it will refer to the telephone directory and make every other reasonable effort to secure the correct address. If the correct address is secured, the carrier will make another attempt at delivery, the consignor will be notified of the correction of address, and a second charge will be made for delivery or attempted delivery to the correct address.

RESPONSIBILITY FOR C.O.D. COLLECTIONS

Carrier will be responsible for the collection and remittance on C.O.D. shipments.

CHARGES FOR C.O.D. COLLECTIONS

An additional charge of 10 cents will be assessed for each C.O.D. shipment received for delivery.

REFUSED PACKAGES RETURNED FREE

Packages refused by consignees or which for any other reason cannot be delivered, will be promptly returned to the consignor without additional charge.

DELIVERIES ATTEMPTED THREE TIMES WITHOUT EXTRA CHARGE

In case the carrier is unable to make delivery of a package because of the absence of the consignee, a non-delivery notice card will be left at the consignee's address stating that delivery has been attempted. Thereafter a second and, if necessary, a third attempt to deliver the package will be made without additional charge.

BRANCH STORE MINIMUMS

Retail stores with branch stores may obtain a low rate per package for branch stores by adding to the minimum of the main store's guaranteed business \$1.50 for each branch store. If, however, separate bills are required to be rendered to the branch stores, the minimums will be assessed against the respective branch stores; the rate per package will, in all cases, be that of the main store. If deliveries for the main store and all its branch stores are included in a single bill, the minimum charge will be the sum of the combined minimums and the rate per package will be that of the main store.

CHARGES FOR RETURNED PACKAGES

The return of a package which for any reason is returned to the consignor, after once having been delivered to the correct address, will be charged for at the same rate as charged for the original delivery thereof.

DE LUXE DELIVERY SERVICE

The rate for the delivery of shipments in de luxe delivery service will be \$1.30 per 100 pounds, subject to the following minimum charges:

Weight of shipment	
25 pounds or less	47 cents
Over 25 pounds but not over 45 pounds	- 59 cents
Over 45 pounds but less than 60 pounds	- 77 cents
Over 60 pounds but less than 100 pounds	- 130 cents

1. \$1.50 in addition to the transportation charge is to be assessed for installation of all gas ranges. Shipper is to furnish all material.
2. \$1.30 per cwt. on all uncrated water heaters.
3. A flat fee of \$1.30 is to be charged when pickup has been ordered but not completed for some stated reason from either inzone or outside locations.
4. \$5.54 per hour is to be charged for all lost time when shown as actual lost time by irregularity report attached to bill of lading by delivering driver.
5. The charges for collecting and remitting the amount of C.O.D. bills collected on C.O.D. shipments shall be computed in accordance with the provisions of Item No. 150 series of City Carriers' Tariff No. 4, Highway Carriers' Tariff No. 5 (Appendix "A" to Decision No. 32504, as amended, in Case No. 4121).
6. Rates include second or third attempt delivery.
7. \$2.09 per cwt. will be charged for delivery and installation of refrigerator power units.
8. \$2.09 per cwt. will be charged for the disconnecting and return of refrigerator power units to Sears' warehouse.
9. Where additional help is required or requested for delivery and installation on items such as home freezers or other similar items, the charge will be \$2.00 per man hour for help in addition to driver and one helper.

MAIL ORDER SERVICE

Class rates in cents per 100 pounds applicable to the transportation of shipments having both point of origin and point of destination within the Los Angeles Drayage Area, as described in Items Nos. 30 to 33 series, inclusive, of City Carriers' Tariff No. 4 and Highway Carriers' Tariff No. 5 (Appendix "A" of Decision No. 32504, as amended, in Case No. 4121).

RATE BASIS	MINIMUM WEIGHT IN POUNDS											
	ANY QUANTITY				500				2000			
	1	2	3	4	1	2	3	4	1	2	3	4
A	74	67	60	52	57	52	46	42	46	44	37	35
B	77	70	62	57	61	55	51	45	51	46	42	37
C	81	75	66	59	64	60	52	46	55	51	45	42

RATE BASIS	MINIMUM WEIGHT IN POUNDS											
	4000				10,000				20,000			
	1	2	3	4	1	2	3	4	1	2	3	4
A	31	29	25	24	25	24	22	21	21	20	19	16
B	35	31	29	25	27	25	24	22	24	21	20	19
C	37	35	31	29	29	27	25	24	25	22	21	20

MINIMUM CHARGES

The minimum charge per shipment shall be as follows:

Shipments of 100 pounds or less 62 cents
 Shipments of more than 100 pounds 94 cents

The foregoing rates and minimum charges include delivery from carriers' vehicles to customers of Sears, Roebuck and Company.

Class rates in cents per 100 pounds applicable in lieu of those provided in Highway Carriers' Tariff No. 2 (Appendix "D" of Decision No. 31606, as amended, in Case No. 4246) for the transportation of shipments between points within a radius of 45 constructive miles from the intersection of First and Main Streets, Los Angeles:

MILES But not Over Over	Any Quantity				Minimum Weight 2,000 Pounds				Minimum Weight 4,000 Pounds				Minimum Weight 10,000 Pounds			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
0 3	94	88	81	72	66	61	53	49	53	51	46	41	31	29	27	24
3 5	96	89	82	72	67	63	57	51	57	52	47	43	32	31	27	26
5 10	101	91	83	74	71	64	58	52	58	53	48	43	33	31	29	27
10 15	102	92	84	76	73	67	62	53	59	54	51	46	34	32	31	27
15 20	103	93	87	77	76	71	63	57	61	57	52	46	36	34	32	29
20 25	104	94	87	78	79	72	66	58	62	58	52	47	39	36	32	31
25 30	106	96	88	81	82	74	67	62	64	59	53	48	42	37	34	32
30 35	108	101	91	81	84	76	61	63	66	61	57	51	43	39	36	32
35 40	109	102	91	82	87	79	72	64	69	62	57	52	44	42	36	33
40 45	112	102	92	83	89	82	74	66	71	63	58	52	46	43	39	34

MINIMUM CHARGES

The minimum charge per shipment shall be as follows:

Weight of Shipment	Minimum Charge in Cents
25 pounds or less	59
Over 25 pounds but not over 50 pounds	74
Over 50 pounds but not over 75 pounds	89
Over 75 pounds but not over 100 pounds	104
Over 100 pounds	111

The foregoing rates and minimum charges include delivery from carriers' vehicles to customers of Sears, Roebuck and Company.

(End of Appendix "A")