

Decision No. 42314

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment of
rates, rules and regulations for the
transportation of property by radial
highway common carriers and highway
contract carriers between, and by city
carriers within, the cities of Oakland,
Alameda, Albany, Berkeley, Emeryville
and Piedmont.

Case No. 4108

In the Matter of the Investigation and
Establishment of rates, charges, classi-
fications, rules, regulations, contracts
and practices of East Bay Drayage &
Warehouse Co., et al., between the cities
of Oakland, Alameda, Albany, Berkeley,
Emeryville and Piedmont.

Case No. 4109

Appearances

- E. H. Hart and Hyland Hinman, for petitioner,
Draymen's Association of Alameda County.
- E. H. Hart, for Pacific Motor Tariff Bureau.
- H. C. Cantelow, for Marine Terminal Association
of Central California.
- W. Reginald Jones, for Port of Oakland.

SUPPLEMENTAL OPINION

East Bay drayage operations are subject to the minimum
rates, rules and regulations set forth in City Carriers' Tariff No.
2-A - Highway Carriers' Tariff No. 1-A.¹ A change in the basis of
drayage charges for service between vessel carrier terminals, on the
one hand, and warehouses and industries having railroad spur track
facilities, on the other, was made effective August 9, 1948.² Therefore,

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These operations involve transportation by city and highway carriers
within and between the cities of Alameda, Albany, Berkeley, Emeryville,
Oakland and Piedmont. The tariff is Appendix "A" of Decision No.
41362 of March 23, 1948, as amended, in these proceedings.

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Decision No. 41834 of July 13, 1948.

the applicable basis was 51 cents per ton, minimum charge \$10.76 per shipment, plus an amount equal to the carloading or car unloading charges of the marine terminals. It was revised to provide that, instead of the 51-cent rate, charges equal to the railroad switching charges would be added to the carloading or car unloading charges. This adjustment was made upon the request of Draymen's Association of Alameda County. By petition filed November 5, 1948, the Association proposes that a rate of 55 cents per ton, minimum charge \$11.88, be substituted for the railroad switching charges.

A public hearing was had at San Francisco on November 19, 1948, before Examiner Mulgrew.

Witnesses for petitioner pointed out that the charges paid by shippers for draying and switching service were on the same level for several years; that this rate equality had been disturbed by somewhat greater increases established in switching rates; and that the change from the 51-cent rate to the switching charges had been proposed in an endeavor to have the drayage rates adjusted to the same basis as the charges for switching service. In making that proposal, the witnesses said, the effect of the zoning arrangements governing the application of the railroad rates and of the absorption of switching charges by the marine terminals had been overlooked. They explained that the intrazone switching rate is now 55 cents per ton, minimum charge \$11.88; that in certain cases this basis applies on traffic from and to one of the terminals and higher interzone rates and charges apply on traffic from and to another terminal; that in such cases the latter terminal absorbs the difference in switching rates in order to maintain comparable charges on cargo handled through its facilities; that similar absorptions are not made in connection with drayage operations; that the sought restoration of rate parity

for drayage and railroad service from and to the terminals has thus not been achieved; and that this would be accomplished by substitution of the 55-cent rate for the switching charge provision of the drayage tariff.

A representative of the terminals testified that they derived revenues from carloading and car unloading service in connection with switching movements. He said that there is no similar service or source of revenue involved in draying operations, that the terminals, therefore, have not absorbed any of the drayage charges, and that they do not propose to do so. The witness asserted, however, that full rate parity is important to the terminals and the shippers. He urged that it be restored as promptly as possible. The rate differences under the drayage tariff as it now stands, he said, had disturbed long-standing competitive relationships, had deprived the shippers of a choice of service, and had thus tended to impede the free flow of commerce.

The president and the secretary-manager of the Draymen's Association said that prior to regulation of drayage operations by the Commission parity of rates on transportation from and to the terminals had been voluntarily established by the draymen and that they agreed with the terminals that such parity should be promptly restored.

The Agent of Pacific Motor Tariff Bureau requested authority to make comparable changes in his tariff filed with the Commission on behalf of common carriers operating within the East Bay drayage area. He stated that this adjustment should be permitted to be made concurrently with the adjustment of the minimum rate tariff.

No one opposed the further revision of the drayage tariff here sought.

The record shows that drayage from and to marine terminals is competitive with railroad switching service, that through petitioner's inadvertence equality of charges has not been maintained, and that restoration of this equality is desirable and necessary. We are of the opinion and accordingly find that the granting of the petition has been justified.

O R D E R

Based upon the evidence of record and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that City Carriers' Tariff No. 2-A - Highway Carriers' Tariff No. 1-A (Appendix "A" of Decision No. 41362 of March 23, 1948, as amended, in these proceedings), be and it is hereby further amended by incorporating therein, to become effective January 10, 1949, Second Revised Page 44 cancels First Revised Page 44, attached hereto and by this reference made a part hereof.

IT IS HEREBY FURTHER ORDERED that any tariff publications of common carrier respondents in Case No. 4109 filed pursuant to this order may be made effective not earlier than January 10, 1949,

4108, 4109 mvm

and on not less than five (5) days' notice to the Commission and to the public.

This order shall become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 14th day of December, 1948.

R. T. Johnson
Justus J. Green
James F. Green
Harold F. Hill
Wm. H. Pott
Commissioners

Item No.	SECTION NO. 1 - SPECIAL COMMODITY RATES		
*1070-B Cancels 1070-A	FREIGHT-----		Inhaul and Shipping
	BETWEEN	AND	CHARGE
	Water Carriers' Docks, Piers or Wharves	Warehouses and industries directly served by Railroad Spur Track Facilities	(1) @ 55 cents per ton, minimum charge \$11.88 per shipment, plus the carloading charge on shipments transported from water carriers' docks, piers, or wharves, or car unloading charge on shipments transported to water carriers' docks, piers or wharves. (See Note 1)
	(1) Charge includes inside pick-up and delivery not to exceed eight feet beyond the vehicle. Where pick-up or delivery exceeds eight feet and is less than thirty-five feet beyond the vehicle, an additional charge of 78 cents per ton shall be made. Charge includes pick-up and delivery in the same condition as when received, with respect to sorting. If any additional sorting, segregation or piling is performed, an additional charge of 40 cents per ton with a minimum charge of \$1.97 per hour per man shall be made.		
	NOTE 1.--(a) Carloading and car unloading charges on shipments transported from or to the docks, piers or wharves operated by Encinal Terminal, Howard Terminal and the Port of Oakland shall be the charges applicable at such docks, piers or wharves as published in Marine Terminal Association of Central California Terminal Tariff No. 1, Cal.P.U.C. No. 1 of H. C. Cantelow, Agent, or Port of Oakland Tariff No. 1 and amendments to and reissues of said publications. (b) Carloading and car unloading charges on shipments transported from or to docks, piers or wharves other than those covered by paragraph (a) shall be the lowest charge provided in any of the tariffs referred to in paragraph (a). (c) @ Canceled.		
* Change) @ Reduction) Decision No. 42314			
EFFECTIVE JANUARY 10, 1949			
Issued by The Public Utilities Commission of the State of California, San Francisco, California.			
Correction No. 33			