

Decision No. 50843**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 RAY SCHNEYER TRANSPORTATION COMPANY,)
 a California Corporation, for authority)
 to charge less than minimum rates,)
 pursuant to Section 3666 of the Public)
 Utilities Code, for the transportation)
 of glass fruit jars and equipment,)
 glass packer jars, glass bottles, jelly)
 glasses, jar tops, caps, discs or tops,)
 and rubber jar rings for Ball Brothers)
 Company, Inc.)

Application No. 35738

AppearancesTheodore W. Russell, for applicant.James Quintrall and J. C. Kaspar, for Motor Truck Association of California, interested party.James Bartholomew, for Signal Trucking Service, Ltd., interested party.Leonard Diamond and R. A. Lubich of the staff of the Public Utilities Commission of the State of California.O P I N I O N

Ray Schneyer Transportation Company is a California corporation engaged in the transportation of property under authority of permits issued by this Commission. By this application, as amended, it seeks authority to assess rates in connection with transportation for Ball Brothers Company, Inc. which are different than those applicable as minima under the provisions of Minimum Rate Tariffs Nos. 2 and 5.

Public hearing of the application was held before Examiner C. S. Abernathy at Los Angeles on November 3, 1954. Evidence was submitted by applicant's president. Representatives of the Motor Truck Association of California, of Signal Trucking Service, Ltd., and of the Commission's staff participated in the development of the record.

Ball Brothers Company, Inc. is a manufacturer and distributor of glass bottles, jars, caps, covers, rubber jar rings and bottle-carrying cartons. It maintains a manufacturing plant at El Monte. From this plant applicant makes deliveries of the company's products to wholesale grocers, cosmetic manufacturers, food manufacturers, wineries, and other users of those products located at points in Los Angeles and Orange Counties within a 50-mile radius of El Monte. Applicant also makes some deliveries outside of the area indicated. These latter deliveries, however,¹ are not involved in this proceeding.

According to applicant's president, the transportation is performed under exceptionally favorable circumstances. The shipments are tendered to applicant on pallets. Loading is done by power loading devices supplied by the shipper. Many of the shipments are in full truckload lots. Where less-truckload shipments are involved, applicant and the shipper work closely together in the dispatching and routing of the shipments in order to obtain maximum usage of equipment. In aggregating several less-truckload lots into a single load, each component of the total load is

¹ Applicant assertedly serves the Ball Brothers company as a contract carrier. It holds a permit authorizing operations as a radial highway common carrier also but states that it is not providing any service as such at the present time.

treated as a separate shipment, even in instances where the several lots might be combined as a split delivery shipment to bring about lower charges. Also, multiple truckloads which might qualify as a single shipment are not so treated. Instead, each truckload is billed separately..

Applicant alleges that for the combined services of making the deliveries and of returning the empty pallets for reloading the minimum rates in Minimum Rate Tariff No. 2 result in excessive charges. It further alleges that it has been informed by the officers of Ball Brothers Company, Inc. that the company will provide its own transportation facilities in the alternative to paying the present rates. In order to comply with the demands of the company for lower rates, and to keep its revenues from the transportation at a satisfactory level, applicant proposes to assess distance rates which are generally 10 to 25 percent less than the present rates in Minimum Rate Tariff No. 2. These rates would be subject to minimum charges not less than the charges which would accrue under the hourly rates in Minimum Rate Tariff No. 5.² The authority which applicant seeks is to deviate from the provisions of Minimum Rate Tariff No. 2 to the extent necessary to apply the distance rates indicated. Since the proposed rates in effect are based upon the hourly rates in Minimum Rate Tariff No. 5, implied in the application is a request also for authority to depart from Item No. 85 series of that tariff which requires that rates and charges be quoted and collected in terms of the same units of measurement in which the rates and charges in the tariff are stated.

² The proposed rates are set forth in detail in Appendix 1, attached hereto. They approximate the rates in Minimum Rate Tariff No. 2 which were in effect for several months prior to March 1, 1953.

In connection with the hourly rates request is further made for deviation from the provisions requiring that the rates be assessed for the time that the vehicles are under load. Applicant asks that it be exempted from this provision while its vehicles are held at its terminal overnight, on weekends, and on holidays.³ Otherwise the hours would be computed from the time the vehicles leave the terminal until they return.

Applicant seeks to assess the proposed distance rates instead of computing its charges wholly on the basis of the hourly rates because transportation under distance rates assertedly involves less supervision, documentation and record keeping. Applicant's president testified, moreover, that in various instances the assessing of charges wholly under the hourly rates would result in lesser revenues to his company.

Notices of the hearing in this matter were published in the Commission's calendar and were sent to persons believed to be interested. No one appeared in opposition to granting of the application.

The record shows that the rates involved herein are rates which correspond generally to those which applicant has been assessing for some time. It appears that the filing of the application in this matter was prompted by information given applicant by the Commission's staff that the rates appear to represent unauthorized departures from the minimum rate provisions. Insofar as the rates themselves are concerned it is clear that they have been proved by experience and that they are satisfactory to applicant and to the

³ The movements which are principally affected by this request are the return of empty pallets to the Ball Brothers company.

Ball Brothers Company, Inc. alike. Applicant's primary concern in this proceeding is to bring about a continuation of the rates in order that there be no deterioration of its relationship with the Ball Brothers company.

Since the charges that would be assessed under the sought rates would be the same or more than those which would accrue under the hourly rates named in Minimum Rate Tariff No. 5, it is evident that applicant is not seeking to assess lesser charges than the reasonable minima for the service. Although the rates are substantially less than the present rates in Minimum Rate Tariff No. 2, it appears that the charges under applicant's proposal would not be much less than those under the present rates were the shipper to take advantage of the split delivery and the multiple lot privileges which the tariff provides; to the extent that the charges would be less, the difference may be attributed to the favorable operating conditions which apply to the transportation service. Generally speaking, it appears that the departures which are sought are more from the form than from the substance of the minimum rate provisions.

In the circumstances it is concluded, and the Commission so finds, that the sought deviations from the provisions of Minimum Rate Tariffs Nos. 2 and 5 have been shown to be reasonable. The application, as amended, will be granted. Inasmuch as the conditions which justify the granting of the sought authority may change at any time, the authority will be limited in duration to one year.

O R D E R

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

IT IS HEREBY ORDERED that

1. Ray Schneyer Transportation Company be and it is hereby authorized to deviate from the provisions of Minimum Rate Tariff No. 2 (Appendix "D" of Decision No. 31606, as amended, in Case No. 4246) and of Minimum Rate Tariff No. 5 (Appendix "A" of Decision No. 32504, as amended, in Case No. 4121) as follows:

(a) Subject to the conditions set forth in paragraph (b) below, to transport the commodities named in Appendix 1 attached hereto for Ball Brothers Company, Inc. between the El Monte plant of said Ball Brothers Company, Inc. and points in Los Angeles and Orange Counties within a radius of 50 constructive miles of El Monte, said mileage to be determined in accordance with the provisions of Distance Table No. 4 (Appendix "A" of Decision No. 46022, as amended, in Case No. 4808) at rates less than the applicable rates in Minimum Rate Tariff No. 2 but not less than the rates set forth in the aforesaid Appendix 1 attached hereto, which appendix by this reference is made a part hereof.

(b) Conditions: The charges to be assessed under the provisions of paragraph (a) above, shall in no event be less in total for the vehicles used in the transportation than the charges which would apply from application of the hourly rates named in Item No. 420 series of Minimum Rate Tariff No. 5 to the transportation performed. For the purposes of applying the hourly rates to said transportation, the hours shall be computed from the time that the carrier's equipment leaves the carrier's terminal at 4434 Sheila Street, Los Angeles, until it returns to said terminal except that no charge shall be made for the time that the equipment is held under load at the carrier's terminal overnight, on Saturdays, on Sundays, and on legal holidays.

2. Ray Schneyer Transportation Company shall retain and preserve copies of its freight bills covering the transportation involved herein for a period of not less than three years from dates of issuance of said bills; each such copy of its freight bills shall have attached thereto (A) a statement of the charges computed at the hourly rates specified in paragraph 1(b) above and (B) full information necessary to accurate determination of the charges under said hourly rates.

3. The authority herein granted shall expire one year after the effective date of this order unless sooner canceled, changed or extended by order of the Commission.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco California, this 7th day of December, 1954.

John L. Mitchell
President

Justis F. Galloway

Samuel H. Potter

Gene Deegins

Raymond W. Vetter
Commissioners

APPENDIX 2 TO DECISION NO. **50843**
AUTHORIZED RATES (IN CENTS PER 100 POUNDS)
SEE NOTE 1

Miles		Any Quantity	Minimum Weight in Pounds				
			2,000	4,000	10,000 (See Note 2)	20,000 (See Note 2)	36,000 (See Note 2)
Over	Not Over						
0	3	89½	51½	40½	22½	12½	7
3	5	90½	53½	42½	23½	14½	7
5	10	91½	54½	43½	24½	15½	8½
10	15	92½	57½	45½	26½	16½	9
15	20	93½	58½	46½	27½	17½	9½
20	25	93½	61½	47½	29½	18½	10
25	30	94½	63½	48½	30½	19½	11
30	35	94½	65½	50½	31½	20½	11½
35	40	95½	66½	51½	32½	21½	13
40	45	96½	69½	53½	34½	22½	13½
45	50	97½	70½	54½	35½	23½	13½

Note 1: The rates herein apply for the transportation of the following commodities on pallets and include the return of empty pallets:

- (a) Glass bottles or jars, with or without equipment, one gallon or less in capacity.
- (b) Caps, covers, discs, or tops (other than display) nested or not nested.
- (c) Rubber jar rings.
- (d) Bottle carrying cartons set up or folded flat in packages.

Note 2: The minimum weights subject to this note apply except as otherwise provided in connection with applicable carload ratings in Western Classification No. 75, Cal. P.U.C. - W.C. No. 8 of G. H. Dumas, Agent, and supplements thereto or reissues thereof when the provisions of such supplements or reissues have been approved by the Commission; in Pacific Southcoast Freight Bureau Exception Sheet No. 1-S, Cal. P.U.C. No. 193 of J. P. Haynes, Agent, and supplements thereto or reissues thereof when the provisions of such supplements have been approved by the Commission; or in Minimum Rate Tariff No. 2.

End of Appendix