Decision No. 53240

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of) Western Classification Committee for) approval of changes in classification) provisions.

Application No. 37075 and Application No. 37075 First Supplemental

Charles W. Burkett, Jr., and Wm. Meinhold, for George H. Dumas, Agent, Western Classification Committee, applicant.

Arlo D. Poe, and J. C. Kaspar, for California Trucking Associations, Inc.; Herman C. Kuhnert, for Western Motor Tariff Bureau; and Leo V. Cox, for Barclay Traffic Service; interested parties. Robert A. Läne, for the Commission's staff.

<u>OPINION</u>

George H. Dumas, as Chairman of the Western Classification Committee, is agent for railroads and other common carriers in the publication and filing of classification ratings, rules and regulations governing rates published by said carriers. Class rates in Minimum Rate Tariff No. 2 and in the various drayage tariffs containing minimum rates established by the Commission are subject to ratings named in Western Classification No. 75, Cal. P.U.C.-W.C. No. 8, of George H. Dumas, Agent. By application filed June 25, 1955, George H. Dumas, Agent, sought to make applicable within California a number of classification changes resulting variously in increases, reductions and technical adjustments. In its interim opinion and order in Decision No. 51762 dated August 2, 1955, the Commission granted the application except as to Items Nos. 19094 (aluminum sign frames), 22456 (metal casement adjusters), 27770-B (carburetors), 32905.3 (ground rubber mud sealer), 36548.45-B

(laminated plastics in bars and blocks) and 43123-A (radio antenna towers). The Commission ordered the application be held for further consideration upon receipt of further evidence respecting the matters specified above. On October 3, 1955 the applicant filed First Supplemental Application seeking precisely the same authority respecting the items specified above that were held open for further consideration by the Commission in said Decision No. 51248. The issues in the first supplemental application therefore are exactly the same as the issues presently before the Commission in the application filed June 25, 1955.

Public hearing was held in the instant proceeding, together with other applications of George H. Dumas, Agent, on October 13 and 14, 1955 before Examiner J. E. Thompson in San Francisco. The matters were submitted on November 3, 1955 following the filing of memoranda of points and authorities by the applicant and by the California Trucking Associations, Inc.

At the hearing and in the memoranda of points and authorities filed by the parties, issues were raised regarding the elements and factors to be shown by the applicant and considered by the Commission in a matter involving a change in the Western Classification. The Commission's conclusions respecting these issues are discussed in Decision No. 52870 dated April 10, 1956 in Application No. 36857 and need not be repeated herein. The Commission in determining the matters herein will follow its conclusions set forth in said decision.

The proposals will be discussed individually.

Item No. 19094

This is a proposed new item applying to tubular aluminum sign frames, knocked down, with sections telescoped. The proposed

Applications Nos. 36857, 36619, 36745, 36999 and 37238.

A. 37075 A. 37075, 1st Sup. AH ratings are 2, L.C.L. and 4, C.L. minimum weight 30,000 pounds. At the present time, in the absence of specific description in the classification, these articles are rated as "Aluminum articles, NOIBN" (Item No. 1540), which are subject to ratings of 1, L.C.L. and 75, C.L. minimum weight 14,000 pounds. The articles are sections of aluminum pipe, either bent or straight, which when assembled form a frame for a sign. When shipped, the frame is knocked down and the sections are telescoped and banded together. The articles have a density ranging from 28.2 to 29.4 pounds per cubic foot and a value per pound of between $69\frac{1}{2}$ and 77 cents. Item No. 13570 of the classification provides ratings of 2, L.C.L. and 4, C.L. minimum weight 30,000 pounds on aluminum pipe or tubing in straight or bent shapes, NOIBN. The articles under consideration here appear to have similar transportation characteristics as those described in said Item No. 13570. Item No. 22456 This is a proposed new item applying to metal transom or casement adjusters. The ratings proposed are 3, L.C.L. and A, C.L. minimum weight 30,000 pounds. According to the applicant, the articles, which are made principally of zinc and cold-rolled steel, are used to adjust casement windows or transoms. At the present time the articles are rated as "hardware" and are accorded ratings dependent upon the metal from which the article is made (Items Nos. 23017, 23020 and 23030). The ratings are 2 and 3, L.C.L. and 4, C.L. minimum weight 30,000 pounds. The articles weigh 60 pounds per cubic foot and have a value of 60 cents per pound. The applicant did not show wherein the articles under consideration here are different, from a transportation standpoint, -3A. 37075 A. 37075, 1st Sup. AH from other articles usually considered as builder's hardware. When asked what was the reason for proposing a Class "A" rating to the articles, the applicant testified. "We just felt an appropriate carload rating would be Class A, that is the only explanation I can offer on that." (Tr. 220.) Under such circumstances the applicant has not shown that the proposed ratings are justified or are reasonable. Item No. 27770 In the application and in the first supplemental application, applicant sought authorization to change the rating of carburetors. At the hearing applicant stated that he would like to withdraw the item in this proceeding because of his request for authority with respect to the same item in Application No. 37238. The proposal herein will be denied without prejudice to a determination of the matter in Application No. 37238. Item No. 32905.3 This is a proposed new item applying to ground rubber oil well drilling mud sealer. According to the applicant this is merely ground up scrap rubber. The proposed ratings are 4, L.C.L. and C, C.L. minimum weight 45,000 pounds. The article has a value of 3 cents per pound and a density of 25 pounds per cubic foot. The applicant testified that in the absence of a specific description of the commodity in the classification, it has been rated as "Rubber goods, NOIBN" for which ratings of 1, L.C.L. and 3, C.L. minimum weight 20,000 pounds are set forth in Item No. 39710. He stated that up to 50,000 pounds of the commodity can be loaded into a rail car and that it has transportation characteristics comparable to pulverized hard scrap rubber for which similar ratings as proposed herein are set forth in Item No. 39860. -4-

Item No. 365 series in Minimum Rate Tariff No. 2 provides exception ratings of 130 per cent of A, minimum weight 20,000 pounds and 115 per cent of A, minimum weight 30,000 pounds on "mud or compounds, or mud treating compounds, well drilling." Item No. 33715 of the Western Classification provides ratings of 4, L.C.L. and 5, C.L. minimum weight 36,000 pounds on "oil well drilling mud treating compounds." From the applicant's description of the commodity in question it would appear that "mud treating compounds" is more descriptive of the article than "rubber goods."

In comparing the commodity with pulverized scrap hard rubber, the applicant is attempting to compare a commodity clearly designated as "scrap" with an article designed for a specific commercial use. The term "scrap" connotates having a value only for reclamation of raw materials. Under the heading of Rubber in the classification, Class C rating has been given only to articles designated as "scrap" and to articles having value only for repair. Applicant has not shown that the proposed carload rating is reasonable or is justified.

Item No. 36548.45-B

The present item provides ratings of 2, L.C.L. and 4, C.L. on "Laminated plastics, in rods, sheets or tubes." The proposal. contemplates the addition of "bars and blocks" and also the qualifying description "not finished articles." The proposed ratings are 3, L.C.L. and 5, C.L. minimum weight 30,000 pounds.

The evidence shows that cellulose durable plastics range in weight from 53 pounds to 85 pounds per cubic foot. The value was stated by the applicant to range from 82 cents to \$1.00 per pound. The proposed item is intended to cover laminated plastics from which finished articles are made. Applicant stated that the laminated plastics have practically the same density as nonlaminated plastic

material. Plastic sheets and rods, not laminated and not finished articles have the same ratings as those proposed herein. Applicant pointed out that tubing moving under the proposed item might be the raw material for the finished tubes rated 2, L.C.L. and A, C.L. minimum weight 30,000 pounds set forth in Item No. 36548.60.

Item No. 43123-A

The present item provides the following ratings on radio or television receiving antenna towers:

	L.C.L.	Min. Wt.	C.L.
Aluminum, other than telescoped	Dl	10,000 R	ı
Aluminum, telescoped	1	20,000 R	7+
Steel	ı	20,000 R	1 +

It is proposed to change the ratings of the steel towers and not the aluminum. The proposal contemplates that the present rating will apply on steel towers, not telescoped or nested, and that new ratings of 3, L.C.L. and 5, C.L. minimum weight 40,000 pounds apply on the steel towers telescoped or nested. The latter description and ratings are designed for a new type of construction of steel towers. The nesting or telescoping greatly increases the pounds per cubic foot as well as providing more favorable characteristics with respect to lading and handling.

Upon careful consideration of all of the facts and circumstances of record, the Commission is of the opinion and finds that the proposals concerning Items Nos. 19094, 36548.45-B and 43123-A have been justified and that the proposed ratings provide just, reasonable and mondiscriminatory minimum rates for transportation by common carriers, highway carriers and city carriers. The proposals with respect to Items Nos. 22456 and 32905.3 have not been shown to be reasonable or justified.

A. 37075 A. 37075, 1st Sup. AH * ORDER Based on the evidence of record and on the findings and conclusions set forth in the preceding opinion, IT IS ORDERED: (1) That the authorities requested as to Items Nos. 19094, 36548.45-B and 43123-A as set forth in the application filed June 25, 1955 and in the first supplemental application filed October 3, 1955 by George H. Dumas, Agent, be and they are hereby granted. (2) That the authorities requested in said application and said first supplemental application as to Items Nos. 22456, 27770 and 32905.3 be and they are hereby denied without prejudice. (3) That the ratings as set forth in said Items Nos. 19094, 36548.45-B and 43123-A be and they are hereby approved to govern minimum rates established by the Commission in Decisions Nos. 31606, 41362, 41363, 32504 and 35055, as amended. (4) That George H. Dumas, Agent, be and he is hereby authorized to depart from the provisions of Article XII, Section 21 of the Constitution of the State of California and from the provisions of Section 460 of the Public Utilities Code with respect to the ratings, rules and regulations authorized in paragraph 1 of this order insofar as said ratings, rules and regulations govern nonintermediate rates. -7-

(5) That supplements containing the changes authorized in paragraph 1 of this order shall bear a notation that they are issued under the authority of this decision.

The effective date of this order shall be twenty days after the date hereof.

Dated at	San Francisco	
127h	day of	June, 1956.
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