

58861

ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of FRANK E. WILLS and GEORGE A. SCHIMMELPFENNIG, a co-partnership, doing business as WILLS DELIVERY SERVICE, for authority to publish unit rates on household electrical appliances which result in both increases and reductions between certificated points of service in the City and County of San Francisco and the Counties of Alameda, Contra Costa, and San Mateo.

Application No. 40912

In the matter of the investigation into the rates, rules, regulations, charges, allowances and practices of all common carriers, highway carriers and city carriers, relating to the transportation of property in the City and County of San Francisco and the Counties of Alameda, Contra Costa, Marin, Monterey, Napa, Santa Clara, Santa Cruz, San Benito, San Mateo, Solano, and Sonoma.

Case No. 5441
Petition for Modification
No. 35

Norman R. Moon and George A. Schimmelpfennig, for Wills Delivery Service, applicant-petitioner.
Russell Bevans, for Draymen's Association of San Francisco, Inc.; R. D. Toll, A. D. Poe and J. K. Quintrall, for California Trucking Associations, Inc., interested parties.
John F. Specht and A. R. Day, for the Commission's staff.

O P I N I O N

Frank E. Wills and George A. Schimmelpfennig are partners engaged in the business of transporting household appliances, fittings and machinery in the San Francisco Bay Area under the name of Wills Delivery Service.

By their application, Wills and Schimmelpfennig seek authority to publish and file in their Local Freight Tariff No. 1

unit rates for the transportation of household dishwashers, refrigerators, freezers, washers, dryers, stoves and oven units between points they serve as a highway common carrier which would include the services of unpacking and setting into place at destination. By the petition, they seek authority to assess similar unit rates in connection with city carrier operations in San Francisco and the East Bay Drayage Area.

Public hearing was held in these matters on April 22, 1959 before Examiner J. E. Thompson at San Francisco. At the hearing the Examiner informed applicants that it had just come to his attention that, while the highway common carrier rights were held by Wills and Schimmelpfennig, the Commission's records disclosed that permits authorizing city carrier operations as well as radial highway common carrier and highway contract carrier operations were issued to Frank E. Wills as an individual. Counsel for applicants stated that the information came as a surprise and, if such was the case, it resulted from an inadvertence or an oversight. He stated that the rate relief was being sought by Wills and Schimmelpfennig and requested leave to present evidence with respect to its Petition No. 35 and to be allowed to file an amendment to its petition when the matter regarding the permits was straightened out. The parties did not object to the granting of the request and leave was granted. The matters were taken under submission on June 23, 1959 upon the filing of an amendment to the petition.

A portion of applicants' business is the transportation of household appliances from jobbers for installation in housing developments and for apartments under construction. The services performed by applicants include the delivery of the appliances, the

unpacking and uncrating, the disposal of packaging material, and the setting up of the appliance and putting it into place. Electrical appliances in some instances are hooked up. Connections of gas appliances requiring work by plumbers are not made.

Under the provisions of their Local Freight Tariff No. 1, and pursuant to the minimum rate orders of the Commission, applicants assess rates in cents per one hundred pounds for the delivery and assess charges in cents per man per hour for the accessorial services of installing and setting up the article. The sales of appliances from the jobbers to the housing developers and contractors are usually made by bids on a unit price basis. The shippers have requested applicants to assess charges for their services on a unit basis.

Applicants prepared a table, in connection with the several types of household appliances involved herein, comparing the charges at the proposed rates with the charges which are applicable under applicants' present tariff provisions. An average weight in pounds was assigned to each article for that purpose. The table shows that the charges under the proposed rates are sufficiently higher than the charges under the present rates so as to provide the charges which would be applicable for the accessorial services involved. Applicants also prepared a comparison of the charges assessed on a number of shipments with those which would be applicable under the proposed rates. An estimate of the cost of providing the services was also presented. Table I summarizes a portion of the evidence so adduced.

TABLE I

Comparison of Charges Assessed by Wills Delivery
Service for Transportation of Household Appliances
With Charges Under Proposed Rates and Charges Applicable
Under MRT-2 at Average Weights, Together With
Estimated Cost of Providing the Services

| <u>From</u> | <u>To</u> | <u>Articles</u> | <u>Charges</u> | | | <u>Esti- mated Cost</u> |
|------------------|------------------|-----------------------------------------------|-----------------------|-----------------|-----------------|---------------------------------|
| | | | <u>Pro- posed</u> | <u>Actual</u> | <u>Average</u> | |
| Burlingame | Millbrae | 1 Range 1 Pigtail* | \$ 10.25 | \$ 13.85 | \$ 14.21 | \$ 13.53 |
| Hayward | Hayward | 16 Refrigerators 16 Ranges 16 Pigtails* | 192.00 | 157.25 | 149.41 | 117.73 |
| Hayward | San Leandro | 63 Oven Units | 220.50 | 210.62 | 205.35 | 167.11 |
| San Francisco | Alameda | 1 Washer | 9.50 | 9.80 | 8.69 | 15.34 |
| Oakland | San Francisco | 1 Dryer 1 Range | 19.00 | 19.69 | 20.09 | 19.60 |
| San Francisco | San Leandro | 12 Refrigerators | 66.00 | 63.75 | 63.75 | 47.45 |
| San Francisco | San Leandro | 29 Refrigerators | 159.50 | 135.46 | 135.46 | 105.57 |
| Burlingame | Alameda | 5 Refrigerators 5 Ranges | 60.00 | 51.59 | 50.29 | 49.02 |
| Burlingame | Berkeley | 1 Refrigerator | <u>12.00</u> | <u>9.23</u> | <u>9.59</u> | <u>30.02</u> |
| Totals | | | <u>\$748.75</u> | <u>\$671.24</u> | <u>\$656.84</u> | <u>\$558.37</u> |

*A pigtail was described as being the
electric cable between the range and
the house electrical outlet.

Appended to the application and petition are financial statements of applicants. The record shows that they have earned a profit on their operations and that, in the aggregate, the proposed rates will return greater revenues than the present rates. Upon consideration of all the facts and circumstances of record, we are of

the opinion and find that the proposed rates are reasonable and the increases which would result from the establishment of said rates by applicants have been justified.

The petition, as filed, seeks authority under Section 3666 as well as under Section 4015 of the Public Utilities Code to depart from the minimum rates. At the hearing, counsel for petitioner stated that the relief sought covered only their city carrier operations and highway common carrier operations. In the order which follows, the authority sought in the application will be granted, and the authority sought in the petition will be granted only to the extent that it covers operations within the cities that petitioners are presently authorized to serve.

O R D E R

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

IT IS ORDERED:

1. That Frank E. Wills and George A. Schimmelpfennig are authorized to establish, on not less than five days' notice to the Commission and to the public, in their Local Freight Tariff No. 1, the rates and charges set forth in their application filed March 10, 1959 herein.

2. That Frank E. Wills and George A. Schimmelpfennig are authorized, as a city carrier, to transport household appliances, including unpacking and setting into place, as described in Appendix "A" attached hereto, and by this reference made a part hereof, at rates and charges no lower in volume and effect than the rates and charges set forth in said Appendix "A."

3. That the authority granted in paragraph 1 hereof shall expire unless exercised within sixty days of the effective date of this order.

4. That the authorities granted in paragraphs 1 and 2 of this order shall terminate on September 1, 1960 unless sooner extended, modified, or canceled by order of the Commission.

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

Dated at San Francisco, California, this 11th day of August, 1959.

Ernest R. Page
 President

W. L. Mitchell

G. L. Fox

Theodore Jensen

Commissioners

Commissioner Matthew J. Dookey being necessarily absent, did not participate in the disposition of this proceeding.

Minimum rates and charges authorized to be assessed by Frank E. Wills and George A. Schimmelpfennig, doing business as Wills Delivery Service, for the transportation of household appliances as described.

Section 1

Item 10 Application of Rates - Territorial

Rates are applicable only within the following incorporated cities:

| | | |
|------------|------------|---------------|
| Alameda | Emeryville | San Francisco |
| Albany | Hayward | San Leandro |
| Berkeley | Oakland | San Lorenzo |
| Burlingame | Richmond | |

Item 20 Application of Rates - General

Rates include the pickup, transportation and delivery of household appliances, including labor of unpacking and setting into place at destination (subject to Note 1.)

Note 1: Hooking up pigtail supplied by shipper, \$1.00 each.

Item 30 Refused or Returned Articles

Units returned to the shipper will be transported at one half of the outbound rate (applicable to the quantity returned) subject to the following conditions:

- (a) When actual delivery to consignee has been accomplished, units for return must be presented to carrier within 10 days from date of original shipment.
- (b) All charges must be prepaid or guaranteed.
- (c) Shipping documents must show reference to outbound shipment.

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Section 2

Commodity Rates in Cents Per Unit Based
On Number of Units in Shipment

| <u>Article</u> | <u>Rate Per Unit</u> |
|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Item 50 <u>Dishwashers</u> | |
| 1 unit | 450 |
| 2 to 5 units | 425 |
| 6 to 35 units | 400 |
| 36 to 70 units | 350 |
| over 70 units | 300 |
| Item 60 <u>Oven Unit (2 Pieces)</u> | |
| 1 unit | 700 |
| 2 to 5 units | 625 |
| 6 to 35 units | 400 |
| 36 to 70 units | 350 |
| over 70 units | 300 |
| Item 70 <u>Washers, Dryers, Stoves or Ranges</u> <u>weighing 200 pounds or less each:</u> | |
| 1 unit | 800 |
| 2 to 5 units | 750 |
| 6 to 35 units | 550 |
| 36 to 70 units | 475 |
| over 7 units | 400 |
| Item 80 <u>Refrigerators, not over 10 cu. ft. capacity:</u> | |
| 1 unit | 850 |
| 2 to 5 units | 800 |
| 6 to 35 units | 550 |
| 36 to 70 units | 475 |
| over 70 units | 400 |
| Item 90 <u>Refrigerators, over 10 but not over 13</u> <u>cu. ft. capacity; <u>Stoves or Ranges</u></u> <u>weighing over 200 pounds:</u> | |
| 1 unit | 925 |
| 2 to 5 units | 850 |
| 6 to 35 units | 550 |
| 35 to 70 units | 475 |
| over 70 units | 400 |

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Item 100 Washer-Dryer Combination (1 Piece)
Freezer, Upright, not over 16 cu. ft.
 capacity; Refrigerator over 13 but not
 over 16 cu. ft. capacity:

| | |
|----------------|-----|
| 1 unit | 975 |
| 2 to 5 units | 925 |
| 6 to 35 units | 550 |
| 36 to 70 units | 475 |
| over 70 units | 400 |

Item 110 Freezer, Chest, over 13 but not over
~~25~~ ²⁵ cu. ft. capacity; Freezer, Upright,
 over 16 but not over ~~25~~ ²⁵ cu. ft. capacity:

| | |
|----------------|------|
| 1 unit | 1150 |
| 2 to 5 units | 1025 |
| 6 to 35 units | 800 |
| 36 to 70 units | 700 |
| over 70 units | 600 |

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