

ORIGINAL

Decision No. 63446

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
SIGNAL TRUCKING SERVICE, LTD., )  
a corporation, for authority to )  
depart from certain provisions of )  
Minimum Rate Tariff No. 5, pursuant )  
to Section 4015 of the Public )  
Utilities Code. )

Application No. 43880  
(Filed October 27, 1961  
Amended November 28,  
1961)

In the Matter of the Application of )  
SIGNAL TERMINALS, INC., to )  
cancel its Stevedoring Tariff No. 1. )

Application No. 43985  
(Filed December 5, 1961)

Berol, Loughran & Geernaert, by Edw. M. Berol,  
for applicants.

Chas. D. Chodzko, for Curry Freight Lines, Inc.;  
John P. McCoy, for Pacific Cartage, Inc.;  
W. A. Dillon, A. D. Poe, James Quintrall and  
J. C. Kaspar, for California Trucking Associa-  
tions, Inc., interested parties.

Leonard Diamond and R. A. Lubich, for the  
Commission staff.

O P I N I O N

Public hearing on Application No. 43880 was held  
December 5, 1961 before Examiner J. E. Thompson at Los Angeles and  
the matter was submitted. Application No. 43985 was filed December 5,  
1961, was served upon all parties at the hearing, and involves one  
of the principal issues in the matter that was heard.

By Application No. 43880, Signal Trucking Service, Ltd.,  
a California corporation engaged in highway and city carrier opera-  
tions, whose stock is owned or controlled by John E. Carroll, seeks  
authority to charge rates less than the minimum rates prescribed in  
Minimum Rate Tariff No. 5 for the unloading and segregating of

aluminum articles tendered by Aluminum Company of America (ALCOA), Kaiser Aluminum & Chemical Sales (Kaiser), and Reynolds Metals Company (Reynolds) in pool cars at 3747 Bandini Boulevard, Los Angeles.

By Application No. 43985, Signal Terminals, Inc., a California corporation engaged in operations as a carloader, whose stock is owned or controlled by John E. Carroll, seeks authority, if Application No. 43880 is granted, to cancel its Stevedoring Tariff No. 1 naming rates for the unloading of cars of aluminum articles, and to voluntarily wind up and dissolve.

Minimum rates for the unloading and segregating of pool cars by city carriers in Los Angeles were established by the Commission in 1944. In 1952 and 1953, there were two companies, which were not city carriers, engaged in carloading and car unloading operations in Los Angeles who were obtaining pool car traffic at rates lower than the minimum prescribed for city carriers. The minimum rate tariff did not authorize city carriers to meet the published rates of carloaders. In order to meet that competition two draymen formed affiliated corporations which published and filed tariffs naming rates for carloading services. Signal was one of these draymen. Upon request, the Commission investigated the then existing competitive circumstances and conditions pertaining to the unloading of pool cars and on December 8, 1953, issued its Decision No. 49408 in Case No. 5435 authorizing carriers in the Los Angeles drayage area to meet the published rates of carloaders in connection with the handling of pool cars.

Signal Terminals has maintained its tariff since 1953. It contains class rates for unloading pool cars as well as the commodity rate on aluminum. The class rates have been maintained

generally at the level of the minimum pool car rates. The rate on aluminum has been maintained at 8 cents per one hundred pounds since May 30, 1958. In the past six years Signal Terminals has had only three customers, viz: ALCOA, Kaiser and Reynolds. During that time its efficiency in unloading and segregating pool cars of aluminum has increased resulting in part from improvements made continuously by the shippers in the loading of cars and in the packaging of the articles for shipment. According to its manager, although a number of expenses such as dockmen's wages have increased, the increased efficiency has assisted to keep the cost of operation at a level where the rate has remained compensatory.

In essence, Signal Trucking desires to wind up Signal Terminals and to continue to serve the three customers at the rate presently being assessed. It was shown that the rate has been compensatory; for the month of July 1961, Signal Terminals had an operating ratio of 92.7 percent before income taxes. We find that the rate is reasonable for the operation that has been conducted by Signal Terminals. The conduct of the operation by Signal Trucking will be the same as that by Signal Terminals and therefore the rate would be reasonable for that carrier.

One effect of the granting of these applications is that, whereas under the present conditions all shippers of aluminum in pool cars are able to enjoy the rate published by Signal Terminals and draymen are afforded opportunity to meet the rate, if Signal Trucking performs the service only ALCOA, Kaiser and Reynolds could avail themselves of the service at that rate and other draymen would not be able to use it. Counsel for Signal Trucking stated that if the Commission considered the above to be objectionable, it would be willing to have the Commission establish the rate as a minimum available to all carriers and shippers.

No one has opposed the granting of the authorities sought by applicants. While this record indicates that the rate involved may be reasonable for the unloading and segregating by other carriers of pool cars of aluminum articles tendered in the same manner as by ALCOA, Kaiser and Reynolds, carriers and other interested parties were not notified that the establishment of minimum rates would be considered in this proceeding. It may be that there are facts not disclosed in this record which would warrant a finding that the rate is not the minimum reasonable rate for the unloading and segregating of all pool cars of aluminum by city carriers. In any event, it does not appear that the granting of the applications would discriminate against, or have any untoward effect upon, any shipper or carrier in that the evidence shows that ALCOA, Kaiser and Reynolds are the only corporations which have tendered pool cars of aluminum at Los Angeles and Signal Terminals has handled such traffic for the past six years. If it develops that the granting of the applications will have an adverse effect upon carriers or shippers, the Commission will consider in a proper proceeding the question of whether the rate should be established in Minimum Rate Tariff No. 5. We find that the cancellation of applicant's Stevedoring Tariff No. 1 is not adverse to the public interest.

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 that:

1. Signal Trucking Service, Ltd., a corporation, is authorized to charge the rates specified in Appendix A, attached hereto and by this reference made a part hereof, for the service

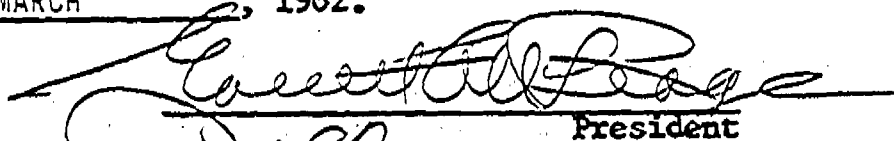
of unloading and segregating the property described in said Appendix A tendered by Aluminum Company of America, Kaiser Aluminum & Chemical Sales, and Reynolds Metals Company in pool cars at applicant's terminal located at 3747 Bandini Boulevard, Los Angeles.

2. Signal Terminals, Inc., a corporation, is authorized to cancel its Stevedoring Tariff No. 1 not later than sixty days after the effective date of this order.

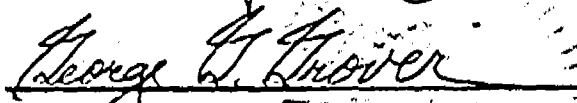
3. The authority granted in paragraph 1 of this order shall expire March 1, 1963, unless sooner modified, canceled or extended by order of the Commission.

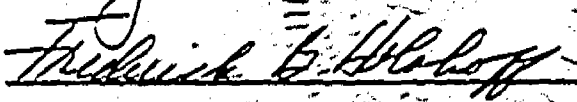
The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 20<sup>th</sup> day of MARCH, 1962.

  
President







Commissioners

Commissioner..... C. Lyn Fox ....., being necessarily absent, did not participate in the disposition of this proceeding.

SIGNAL TRUCKING SERVICE, LTD.

Schedule of Minimum rates for the unloading and segregating of pool cars of aluminum articles tendered by Aluminum Company of America, Kaiser Aluminum & Chemical Sales, and Reynolds Metals Company.

SECTION 1

Item 10: - Application of Rates - General

To the extent that Minimum Rate Tariff No. 5 prescribes minimum rates for the unloading and segregating of pool car shipments, said minimum rates, rules and regulations are applicable to all shipments except as specifically provided in Section 2.

SECTION 2

Item 20: - Application of Rates - Commodities

Rates in this section apply to the unloading and segregating of pool car shipments tendered by Aluminum Company of America, Kaiser Aluminum & Chemical Sales, and Reynolds Metals Company to the carrier at its terminal located at 3747 Bandini Boulevard, Los Angeles consisting of the following articles:

Aluminum Articles, viz.:

- Cable, electric, and accessories;
- Sheets and plates in boxes, crates or on skids;
- Extrusion in crates or boxes;
- Pipe or tubing (other than irrigation) in crates or boxes;
- Wire, rods, bars, in bundles or packages;
- Pigs, ingots, billets, in bundles or on skids;
- Foil, in boxes, crates, or on skids.

Item 30: - Rates

For the service described in Item 20 the rate of 8 cents per 100 pounds subject to a minimum charge of 34 cents for each point of destination involved.

(End of Appendix A)