

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application by Dan Keeney for Authority under Section 3666 of Highway Carriers' Act and under Section 4015 of City Carriers' Act, to charge other than minimum rates on Grain, Grain Products and other articles transported for General Mills, Inc. }

Application No. 41092

OPINION AND ORDER

Applicant holds highway contract carrier, radial highway common carrier, and city carrier permits. Prior orders in Application No. 34534¹ authorized him, as a highway contract carrier under Section 3666 and as a city carrier under Section 4015 of the Public Utilities Code, to transport grain, grain products, and related articles within southern California for General Mills, Inc., Sperry Division, at monthly vehicle unit rates which are lower than those established as minimum. This authority is scheduled to expire July 31, 1959.

By this application, authority is sought to continue to deviate from the minimum rates. The proposed rates are somewhat higher than those currently authorized.²

According to the application, applicant has been assessing the proposed increased rates since September 1, 1958. He states that he commenced using such rates to meet increased operating costs, chiefly labor costs, which became effective on that date.

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-Applicant's radial highway common carrier permit is conditioned to exclude the transportation involved in this proceeding. (Decision No. 56953 dated July 8, 1958, in Application No. 34534 - Fifth Supplemental.)

2.

The vehicle unit charges would be increased from \$850 and \$1,100 to \$875 and \$1,135, respectively; also, the method of designating units of equipment would be changed.

The application asserts that computing and assessing the charges as proposed herein will avoid complications involved in large and widespread operations partly within the territory covered by Minimum Rate Tariff No. 2 and partly covered by Minimum Rate Tariff No. 5. It also asserts that the same personnel or equipment is frequently used in operations covered by both of the aforementioned tariffs, and in many cases the individual loads are comprised of split deliveries which are partly within the scope of each of those tariffs. Applicant alleges that the rates as proposed will require less labor and traffic personnel and therefore will result in savings both to the shipper and the carrier. He further alleges that the service herein involved is the only large truck delivery operation that the shipper, General Mills, Inc., has not converted to proprietary operation. Data submitted with the application shows that this operation has been conducted at a profit. The Transportation Division staff has reviewed the verified application and recommended that it be granted.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable and consistent with the public interest. This is a matter in which a public hearing is not necessary. The application will be granted. Because the conditions under which the service in question is performed may change at any time, the authority to observe these rates will be limited to a one-year period.

Therefore, good cause appearing,

IT IS ORDERED:

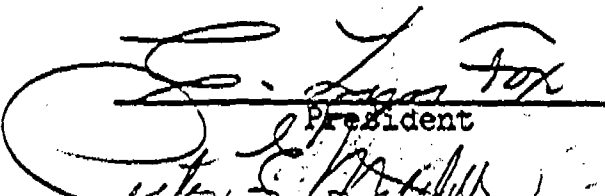
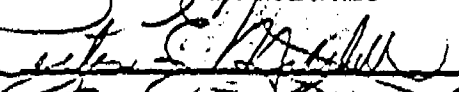

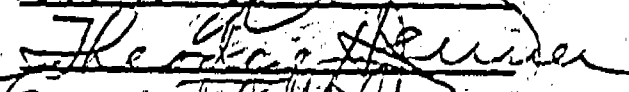
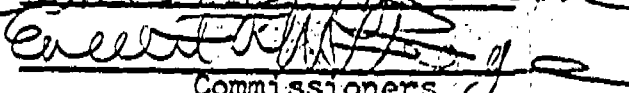
(1) That Dan Keeney, operating as a city carrier and as a highway contract carrier, is hereby authorized to transport grain and grain products and related articles for General Mills, Inc., Sperry

Division, at rates and charges which differ from those established as minimum rates and charges, but not lower than those set forth in and subject to the rules and regulations shown in Appendix "A" attached hereto and by this reference made a part hereof.

(2) That the authority herein granted shall expire July 31, 1960, unless sooner canceled, changed or further extended by order of the Commission.

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

Dated at San Francisco, California, this 29th day of June, 1959.


President




Commissioners

APPENDIX "A" TO DECISION NO. 58680

IN APPLICATION NO. 41092

ITEM NO. RULES AND REGULATIONS

APPLICATION OF RATES - CARRIERS - COMMODITIES

- 5 Rates in this Appendix are applicable only for the transportation of grain, grain products and related articles as described in Item Nos. 652-B, 652~~4~~-B, 653-A and 655-B of Minimum Rate Tariff No. 2 for General Mills, Inc., Sperry Division.
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APPLICATION OF RATES - TERRITORY

Rates in this Appendix apply only within the territory hereinafter described:

- (1) Between points within the following described territory (see Note):

- 10 Commencing at San Clemente on U.S. Highway No. 101, thence northerly on said U.S. Highway No. 101 to San Juan Capistrano, thence northeasterly via State Highway No. 74 to the point said Highway No. 74 intersects State Highway No. 71 at a point two miles northwest of Elsinore, thence northwesterly along said Highway No. 71 to Corona, thence northeasterly along State Highway No. 18 to Colton, thence easterly along U.S. Highway No. 99 to the point said Highway No. 99 intersects U.S. Highway No. 395 at a point two miles south of San Bernardino, thence northerly along said Highway No. 395 to the point of intersection with a county road 1 mile east of Muscoy, thence via an airline drawn from said point of intersection through Alta Loma, Glendora, Monrovia and Altadena to La Canada, thence northwesterly along State Highway No. 118 to San Fernando, thence westerly along said Highway No. 118 to Chatsworth, thence southerly along State Highway No. 27 to the point where said highway, if extended, would meet the Pacific Ocean at a point approximately 5 miles northwest of Santa Monica, thence southerly along the shore line of the Pacific Ocean to point of beginning.

(NOTE. - Where the boundary line intersects the limits of an incorporated city, the boundary line shall follow the city limits so as to include the city within the above defined area.)

- (2) Between points within the area described in Paragraph 1 and points in the following counties:

Los Angeles, Orange, San Diego, Imperial,
Riverside, San Bernardino, Ventura,
Santa Bárbara, San Luis Obispo, Kern, Inyo.

BASIS FOR COMPUTING RATES

Charges on shipments transported under the provisions of this Appendix shall be computed in accordance with the following:

<u>Type of Unit</u>	<u>Vehicle Unit Charge per Calendar Month</u>	<u>Excess Mileage Charge</u>
15 Two Axle Truck	\$ 875.00	.21¢ *
Tractor Semi- Trailer Combination	\$1,135.00	.34¢ *

*Rates in cents per mile to be applied to the mileage, if any, by which the aggregate monthly mileage that all vehicle units subject to the same vehicle unit charge exceeds 1,250 miles multiplied by the number of said vehicle units.

END OF APPENDIX "A"