

Decision No. 63971

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ADAMS, SCHEWAB & ADAMS WAREHOUSE CO., Ben Aker, Arbuckle Warehouse, Baker Bros. Rice Drier & Storage Co., Bayles Rice Drier Company, Howard Seeman Warehouse & Drier, Bultema Bros., Butte City Warehouse Co., Buttonwillow Warehouse Co., California Dehydrating Co., California Milling Corporation, California Seed & Fertilizer Co., Camarillo Warehouse Co., Cargill of California, Inc., C.E.C. Warehouse Company, Chico Bean Growers, Citrona Warehouse, Coast Counties Warehouses, College City Warehouse, Collins & Story, Colusa-Glenn Drier Company, Continental Grain Company, County Line Warehouse, N. F. Davis Drier & Elevator, Delta Warehouse Company, Den Dulk Warehouse & Feed Company, Inc., De Puc Warehouse Co., Dompe Warehouse Co., Doty Brick Warehouse, Eckhart Seed Company, Eibe & Huffman Warehouse Co., Inc., El Rey Milling Co., Ernst Bros., Escalon Warehouse Co., Farmers Alliance Business Assn., Farmers Grain Elevator, Farmers Public Warehouse and Hi & Dry Warehouse, Inc., Farmers' Rice Drier & Storage Co., a division of Farmers' Rice Growers Cooperative, Farmers Warehouse, Farmers Warehouse Co., Firebaugh Elevator and Storage Co., C. E. Fowler Warehouse & Elevator, Glenn Growers, Graino Elevator Company, M. D. Green Rice Milling Co., Gridley Warehouses, John F. Grisez, Guadalupe Warehouse, Inc., Harrison Warehouse, Haslett Warehouse Company, Hayrico, Inc., L. A. Hearne Warehouse Company, Victor Hoag Warehouse, Howard Warehouse, Island Elevators, Jalonen Warehouse Co., Walter Jansen & Son, Joost Grain Elevators, Josephine Warehouse, Lacey Milling Company, Lawrence Warehouse Company, Liberty Warehouse, Lompoc Warehouse Corporation, Ralph E. Lowe, Ed J. Lyng

Application No. 42521

Company, Inc., The Lyons Warehouse,
 L. D. Maffei Seed Co., M & H Ware-
 house & Rice Drier, Mast Iron Ware-
 house, Maxwell Delevan Warehouse
 Corporation, Maxwell Grain Storage
 Whses., Mitchell Silliman Company,
 Jim B. Nielsen, Northern California
 Company, Northern Star Mills, Oak-
 land Bean Cleaning & Storage Co.,
 Oceanside Warehouse Company, E. M.
 Olson Warehouse, Pacific Interna-
 tional Rice Mills, Inc., Peoples
 Warehouse Company, Princeton Rice
 Dryer, Rabb Bros. Elevator & Mill,
 Rhodes Warehouse & Supply Co.,
 Riceton Warehouse, Rio Bonito Ware-
 house Corporation, Riverside Eleva-
 tors, The Riz Warehouse Co., Rubke
 Warehouse, Sacramento River, Ware-
 house Company, Sacramento Valley
 Milling Co., Salyer Grain & Milling
 Company, C. F. Salz Co., San Miguel
 Flouring Mill Company, Santa Maria
 Valley Warehouse Co., T. B. Sills
 Storage, Soledad Warehouse Co.,
 Stanislaus Farm Supply, Inc.,
 Stockton Elevators, Stockton Wire
 Products, Sun Valley Supply Company,
 Sutter Basin Growers Cooperative,
 Terhel Farms Drier & Storage Co.,
 Tornell Farm Service, Inc., Tremont
 Warehouse Co., Tres Pinos Grain &
 Supply, Tudor Warehouse, Turlock
 Dehydrating and Packing Co., Tyndall
 Warehouse Company, Inc., Union
 Storage Co., Valley Bean Warehouse,
 Inc., Valley Feed & Warehouse Co.,
 Valley Grain Drier, Valley Warehouse
 Company, Westley Warehouse, West
 Coast Checkerboard Elevator Company,
 West Los Angeles Milling Company,
 West Stanislaus Growers' Association,
 Westside Warehouse Company, Inc.,
 Willows Rice Drier & Storage Company,
 Woodland Warehouses and I. G. Zumwalt
 Company for an increase in rates.

Vaughan, Paul & Lyons, by John G. Lyons, for applicants.
Jack L. Dawson, for applicants.
Ernest E. Hatch, for Bean Growers Association of California,
 protestant.
Ralph Hubbard and William Knecht, for California Farm
 Bureau Federation; Wm. E. Glotz, by Ted J. Gromala;
 interested parties.
Hugh N. Orr, A. R. Day, J. W. Mallory, John R. Laurie,
C. B. Shawler and L. L. Thomas, for the Commission
 staff.

SUPPLEMENTAL OPINION

By Decision No. 61970, dated May 9, 1961, in this proceeding, 118 public utility warehousemen, engaged in the operation of so-called "agricultural" warehouses, were authorized, on an interim basis, to increase their rates and charges.^{1/} The interim order, predicated on evidence introduced on behalf of applicants, did not authorize in full the increases sought in the application. By Decision No. 63728, dated May 22, 1962, applicants were authorized to establish the warehouse rates, substantially, as sought, on grain, including safflower, and to cancel certain obsolete rates. Said decision was issued following adjourned hearings, held in March and April, 1962. The rate increases thereby authorized were predicated on evidence adduced by the Commission's accounting, transportation, engineering and rate staffs.

Following the aforesaid adjourned hearings Application No. 42521 was held open for the receipt of further evidence relative to the proposed warehouse rates on dried beans and paddy rice. Adjourned hearings for this purpose were held before Examiner Carter R. Bishop at San Francisco on May 10, 11 and 14, 1962. The opinion herein will relate to that phase of the proceeding and to rate increases sought on certain miscellaneous commodities, which are involved only to a minor extent.

The record shows that beans are stored at the warehouses of applicants in all three of the above-mentioned areas and that rice is stored at houses in the Sacramento and San Joaquin Valleys,

^{1/} With few exceptions applicants operate in three areas: namely, the Sacramento, San Joaquin and Salinas Valleys.

but not at those in the Coastal (Salinas Valley) area. As pointed out in Decision No. 61970, the present rates on the respective commodities are not on uniform levels as among the three territories, although within each of the territories rate uniformity prevails among a substantial number of warehousemen. The interim increase accorded by Decision No. 61970 amounted to 20 percent for all commodities, subject to the sought rates as maximum.

For the storage of beans applicants seek a rate of \$5.00 per ton, per season^{2/} in all three areas. The present (interim) rates are as follows: in the Coastal area, \$4.50 per ton for all applicants;^{3/} in the San Joaquin Valley, rates ranging from \$3.00 to \$4.80 per ton, with most houses maintaining a rate of \$3.76; in the Sacramento Valley, two rates, namely, \$3.11 and \$4.80. The record shows, however, that the rate of \$3.11 is a "dead" rate and that beans are stored only at the warehouses at which the rate of \$4.80 is applicable.

For the storage of rice applicants propose, in both the San Joaquin Valley and the Sacramento Valley, two rates, namely, \$4.50 per ton per season for rice in bags and \$4.00 per ton for rice in bulk. The present (interim) rates are as follows: in the San Joaquin Valley, \$3.37 in bags, and \$4.00 in bulk (except that one warehouseman has a rate of \$3.90 in bulk); in the Sacramento

^{2/} All of the seasonal rates involved in this proceeding include the services of handling in and out, as well as storage.

^{3/} As pointed out in Decision No. 61970, a few of the Coastal area warehouses are located outside of the Salinas Valley. One of these, West Los Angeles Milling Co., located at Oceanside (San Diego County) has a bean storage rate of \$3.90 per ton.

Valley, rates ranging from \$3.11 to \$4.50, in bags, and a rate of \$3.79, in bulk, except for four houses whose rates are at the sought level of \$4.00.^{4/}

At the May hearings the Commission's staff introduced cost and rate studies relating to the handling and storage of dried beans and paddy rice, similar to those for grain which had been presented at the earlier 1962 hearings. The staff accounting study, which was introduced at the March 1962 hearings, embraced bean and rice warehouses as well as those engaged in the storage of grain.

It is not necessary to reiterate here the circumstances disclosed by the accounting staff's review of the book records of applicants, since they have been described previously in Decision No. 63728. As in the grain study, the staff accountant found it necessary, in connection with the bean and rice warehousemen, to make adjustments in the book records to segregate public utility and nonutility transactions, and to provide restatement of the elements of expense into terms of the subsequently established uniform system of accounts. In Table I below are summarized the operating results of the bean and rice warehousemen included in the staff study, as recorded and as adjusted and segregated by the accounting staff. The figures shown are before provision for income taxes.

^{4/} While warehouse rates on rice in sacks are maintained by most of the applicants and increases are sought therein, it appears from the record that there is no storage of rice in sacks, in the areas involved herein, except as to rice that is held for seed.

TABLE I

Warehouseman	12-Months Ended	Company Book Recorded	Net Warehouse Income		
			Total	P.U.C. Staff Adjusted Public Utility	Non-Utility
<u>(A) Beans</u>					
Collins & Story [#]	6-30-60	\$47,720	\$48,062	\$(20,082)	\$ 68,144
Dompe	7-31-60	83,676	92,214	(8,131)	100,345
Eckhart	12-31-60	21,724	23,036	(24,653)	47,689
Ed J. Lyng	3-31-60	21,177	42,521	(21,826)	64,347
Mitchell Silliman	12-31-60	26,170	25,804	(3,820)	29,624
<u>(B) Rice</u>					
Colusa Glenn	9-30-60	\$18,220	\$85,037	\$ 85,037	\$ --
N. F. Davis	3-31-60	57,863	91,154	(15,697)	106,851
Glenn Growers	3-31-60	20,150	21,608	2,617	18,991
Maxwell	12-31-60	51,335	51,335	(11,999)	63,334
Tyndall	12-31-60	3,395	66,077	9,304	56,773
Willows Rice	9-30-60	41,947	44,799	(1,293)	46,097

[#] Also engages in rice warehousing.
() - Indicates red figure.

As in the grain study, the staff engineer had visited and observed operations at numerous bean and rice warehouses in the areas involved in the proceeding. Based upon the observational data thus obtained, data from the book records of the utilities visited, and informed engineering judgment, he had developed estimated costs per ton for bean and rice storage, by areas.^{5/} Also as in the grain study, these costs were not those of individual operators, nor

^{5/} Since the storage of rice in sacks is, as hereinbefore stated, of very minor volume, the engineer's studies of that commodity related solely to bulk storage and related services.

were they weighted average costs, but were designed to reflect those of operators who perform bean or rice warehousing services in a reasonably efficient manner under existing operating conditions. In addition to developing the estimated full costs per ton for warehouse services the engineer calculated the costs for each of the areas expanded to include a return on the net investment in facilities required to provide the service.

The procedures employed by the staff engineer in the development of his cost and investment estimates for beans and rice were generally the same as were utilized in the grain studies and need not be recounted in this opinion. In Table II below said cost estimates are compared with the sought rates. Comparison is also made with the amounts which the engineer calculated would be necessary, predicated on his cost estimates, to reflect a profit factor (after income taxes) of five percent return on depreciated investment.

TABLE II

Comparison of Proposed Rates with Estimated Full Costs and with the Latter Expanded for Profit Factor of Five Percent Return on Depreciated Investment (After Income Taxes).

<u>Area</u>	<u>Proposed Rate</u>	<u>Estimated Full Cost</u>	<u>Cost Expanded for 5 Percent Return on Investment</u>
	<u>(A) Dried Beans</u>		
Coastal	\$ 5.00	\$ 4.69	\$ 5.67
San Joaquin Valley	5.00	4.66	5.65
Sacramento Valley	5.00	4.60	5.57
	<u>(B) Rice (in bulk)</u>		
San Joaquin Valley	\$ 4.00	\$ 3.40	\$ 4.25
Sacramento Valley	4.00	3.41	4.26

As in the grain phase, an accountant, testifying on behalf of applicants, introduced a series of exhibits in rebuttal of the staff engineering evidence. Using the same format as employed by the staff engineer, but with some selected quantitative and qualitative differences he developed average warehouse full costs per ton of \$4.564 for beans, and \$3.841 for bulk rice. These figures are averages for the geographical areas in question taken as a whole. Officials of five of the applicant warehousemen testified that several of the performance factors employed in the accountant's studies, as well as those of the staff engineer, reflected a higher degree of efficiency, and hence produce lower estimated costs per ton, than were practicable in actual operations. They pointed out that beans and rice are not received at the warehouses in a steady flow during the harvest season. A full crew must be maintained regularly during that period to handle the large tonnages which will come in within a very short lapse of time on a given day. At other times little or no tonnage may be received. Thus the average tons per hour handled during the season are considerably less than the performance at peak times. ✓

The rate expert from the Commission's Rate Branch staff who had previously testified in the grain phase also testified regarding a study he had made of the economic and rate aspects of the storage of beans and rice in the areas involved. The results of his study were incorporated in a report which dealt with such topics as facilities, services, fumigation and sanitation, marketing considerations, competitive factors and trends for the future. The report included descriptions of the procedures involved in the cleaning and storage of beans and the drying and storage of rice. It also

included the staff's recommendations relative to applicants' rate proposals. This witness testified also concerning a report which he had prepared summarizing the answers to staff questionnaires which certain bean growers had filled out at meetings held by another Rate Branch member in each of the three geographical areas. The questionnaire solicited information regarding harvesting and warehousing of beans and the views of said growers as to various aspects of the rate proposals here in issue.^{6/}

The rate expert's principal report was prepared following visits to the premises of many of the applicant warehousemen. The competitive factors, he found, which prevail in connection with the warehousing of grain also apply, with certain differences, to the warehousing of rice and beans. As pointed out in the interim decision, rice must be dried, and generally speaking beans are cleaned, before being placed in storage.^{7/} The quality of the rice drying and bean cleaning services performed by the warehousemen is important in the marketing of these commodities. As a result, the rate witness found, competition among public utility warehouses in the same area is primarily in the form of the quality of the service. Other factors considered by growers are the ability of the warehousemen to negotiate a good price for the grower's crop and to sell his, the warehouseman's, service. Competition with farm storage the rate expert found to exist to a considerable extent in the storage of rice, but only to a slight degree in the storage of beans. Many

^{6/} The meetings were held at Salinas, Modesto and Sacramento. Questionnaires were answered by a total of ten growers.

^{7/} The record shows that in some instances beans are shipped out of the warehouse "in the dirt" and are cleaned elsewhere.

rice growers now store their crops in so-called Butler bins or Martin tanks. These can be equipped with exhaust fans for drying the rice. Few farmers, on the other hand, have sufficient volume of beans to warrant purchase of bean cleaning equipment.

In connection with the cleaning and storage of beans applicants' present tariffs do not specify whether storage charges should be assessed on the weight of the beans as received by the warehousemen "in the dirt" or on the weight of the cleaned beans. Applicants propose to establish a rule which will provide that first season rates shall apply on the gross weight received. Evidence adduced at the 1962 hearings discloses that it has long been the practice in the Coast and San Joaquin Valley areas to assess first season rates on the gross weight received. In the Sacramento Valley, on the other hand, the record shows that it has long been the custom to assess charges on the weight of the cleaned beans.

The staff recommendation is that, as to those beans which are brought in for cleaning and storage, charges for storage should be computed on the weight of the beans as cleaned, and that storage charges for uncleaned beans stored in bulk bins should be on the weight "in the dirt".^{3/} In support of this position the rate witness pointed out that warehouse receipts issued by the warehouseman to the storer reflect the weight of the cleaned beans only. He also pointed out that the separation of offal from the beans is part of the cleaning service and asserted that the disposal of the offal is a part of that service.

Several officials of applicant warehousemen testified in support of the proposed weight rule. Their reasons were as follows:

^{3/} As stated in the interim decision, separate charges are assessed by the warehousemen for cleaning the beans, which service is considered to be a nonutility function.

(1) Because many lots of beans are placed in temporary storage before cleaning, due to inability of cleaning machinery to keep up with the inflow of beans during the harvest season, such lots must be placed in temporary bulk storage uncleaned. Thus the warehousemen must provide space for the storage of the impurities^{9/} along with the beans, and feel that they should be compensated for such storage.

(2) The offal must eventually be removed from the warehouse premises at a cost to the warehouseman, for which he feels he should be compensated.

(3) The gross weight basis provides an inducement to the farmer to bring his beans to the warehouse with as little dirt as practicable, since he pays storage on the dirt. This in turn results in cleaner beans as the end product, which in turn means a better selling price for the owner. (4) One operator in the Coastal area stated that if the clean weight basis of charges were to be established in that area he would not continue paying the wages of a man to weigh the dirty beans on arrival, since no purpose would be served thereby as far as he, the operator, was concerned. Thus, he said, the grower would not know whether he was being properly credited with all the beans which he tendered for cleaning and storage.^{10/}

With respect to the proposed rates, the rate expert drew attention to the fact that the staff estimates of costs for beans and rice were only slightly different for the three areas. He was of the opinion that the proposed storage rates of \$5.00 per ton for beans in

^{9/} The "impurities" include screenings and offal (dirt, gravel, and the like).

^{10/} At the present time the practice is to weigh the beans in the dirt, and again after cleaning. Also the amounts of offal and screenings are weighed.

sacks and \$4.00 per ton for rice in bulk were reasonable and justified. The staff made no recommendation with respect to the proposed rate of \$4.50 per ton for the storage of rice in sacks, since no such storage was found in the course of the staff studies. The storage of sacks and seeds, which are also involved in this proceeding, is in relatively small volume. The staff also had no recommendation as to the proposed rates on these commodities.

The rate witness also recommended (1) the establishment of certain charges for commodities received by a warehouseman in advance of the date on which the storage season begins; and (2) that the proposed provision under which a reduced rate will apply on rice which is removed from the warehouse within the month following the termination of the storage season be also made applicable to beans. Applicants' tariff publishing agent testified that there would be no objection to these recommendations.

Evidence on behalf of Bean Growers Association of California, protestant, was introduced at the initial series of hearings in this matter and has been described in the interim decision, No. 61970. At the adjourned series, representatives of that organization and of California Farm Bureau Federation, interested party, assisted in the development of the record and participated in the oral argument which was had on the closing day of the hearings.

The representative of the Bean Growers Association raised the question as to whether various items of bean warehouse expense should be assigned to the storage (utility) function or to the cleaning (nonutility) function. He further argued that weight "in the dirt" is associated with the nonutility services and weight of

the beans as cleaned, or in saleable condition, is associated with storage service. He pointed out that charges for the storage of rice are assessed, not on the weight of the wet rice, but on the rice as dried for storage.^{11/} Differences in varieties of beans grown in the respective areas and various differences in practices, together with the fact that historically different rate levels have prevailed, in his opinion argued against the need for uniformity of bean storage rates throughout the three areas.

The representative of the Farm Bureau Federation argued against uniformity of rates, the proposed changeover in the Sacramento Valley to a dirt weight basis for beans, and to any further increases in bean storage rates in the San Joaquin Valley.

Conclusions

Increases in rates for the storage of dried beans and paddy rice to the interim level have heretofore been found justified on the record made in the initial series of hearings in this proceeding. The question now presented for determination is whether additional increases, either to the full amount sought by applicants or something less, are justified by the evidence adduced at the 1962 series of hearings devoted to those commodities. The additional increase proposed in the rice rates would be minor in the Sacramento Valley and there would be no increase for rice in the San Joaquin Valley, since the 20 percent increase authorized by the interim decision placed those rates on the sought level. As to the rates on beans, in the Sacramento Valley the increase from \$4.80 to \$5.00

^{11/} Witnesses for applicants had emphasized, however, that the water passes off as vapor and does not present the problems of storage and disposal that are experienced with bean offal.

per ton appears minor; however, applicants propose to change the basis of charges in this area from clean weight to weight "in the dirt". Using an average figure of 12½ percent offal the proposed rate per ton of cleaned beans would be \$5.71, reflecting an additional increase of 19 percent. As shown by the figures hereinbefore set forth the additional increases (above the interim basis) sought for most San Joaquin Valley operators are fairly large, while somewhat smaller increases in Coastal area bean rates would result.

In Decision No. 63728 we pointed out the need for a standard by which to judge the reasonableness of the proposed grain storage rates and found that the staff's method of meeting this need by developing estimated costs of "typical" grain warehouse operations in the three areas was a reasonable procedure. Since the methods employed by the staff engineer in developing bean and rice warehouse costs were the same as for the grain study, we make a similar finding with respect to said bean and rice cost methods. While it appears from the record that the staff's estimates of costs per ton of beans or of rice handled may be somewhat understated, they may well serve as a guide to the reasonableness of the sought rates on those commodities.

A comparison of the staff cost estimates for the three areas under consideration discloses that the differences are very small. This fact, in addition to those previously pointed out in Decision No. 63728, tends to justify uniformity of rate levels throughout said areas, for the commodities in question.

In the light of the cost estimates of record the Commission finds the sought rates on rice in bulk are reasonable. The staff study, as hereinbefore noted, did not disclose the storage of rice

in sacks, except such as might be held for seed. As in the case of grain, it appears that the cost of handling rice in sacks is greater than for bulk rice and that, consequently a higher rate, such as is sought herein, is justified for the former than for the latter; the Commission so finds.

The disposition to be made of the request for increases in the bean storage rates is complicated by the question of dirty versus clean weights. The record shows that the staff cost studies reflect estimated costs per ton per season of the cleaned beans. These costs, however, do not include the cost of storing or disposing of the offal after it has been separated from the beans. Since the costs are on a cleaned weight basis they are not strictly comparable with the rates as proposed to be charged by applicants, namely, on the weight of the beans "in the dirt".

If the staff recommendation that the sought rates be assessed on the weight of the cleaned beans were adopted, a reduction under the present interim basis, per ton of cleaned beans, would result at Coast area warehouses. The amount of the reduction would, in each instance, depend on the amount of offal the uncleaned beans contained. On the other hand, if applicants' proposal to observe uniformly throughout the three areas the practice of charging for the weight of the beans "in the dirt" should be approved, the charge at Sacramento Valley warehouses per ton of cleaned beans will be subjected to an increase in addition to the small increase measured by the difference between the interim and sought rates. The amount of that additional increase, again, will depend upon the percentage, in each instance, of offal in the uncleaned beans.

The practice of assessing warehouse rates on the weight of the dirty beans has long prevailed in the Coast area. In recent years the San Joaquin area warehousemen changed over from the clean weight basis to the dirty weight basis. The record shows that beans are brought to the warehouse for both cleaning and storage. It is reasonable to conclude that the storage and ultimate disposition of the offal is directly connected with and results from the cleaning service performed by the warehousemen. The cleaning service has not been determined to be a public utility function, and the warehousemen have not filed with this Commission their charges for the cleaning service. The record shows that, with some exceptions, the charges assessed for cleaning vary with the amount of dirt and screenings removed.

The staff cost estimates were developed in terms of the cost per ton of cleaned beans handled and stored. Those estimates lend support to the reasonableness of the proposed rate of \$5.00 per ton for all three areas. We find that the rates for the storage of beans, on the level proposed by applicant, subject to the computation of charges on the cleaned weight of the beans, are justified.

The proposed rates for the storage of the minor commodities, namely, seeds, sacks and wool, and the proposed accessorial charges for all commodities here in issue, appear also to be reasonable.

Upon careful consideration of the complete record, exclusive of those parts relating to the warehousing of grain and safflower, we find as follows:

1. The increases in rates and charges, and other tariff adjustments sought in the application, as amended, other than those

relating to grain and safflower are justified, subject to the condition that the season storage charges on beans shall be computed on the cleaned weight of the beans stored.

2. Charges for commodities received in advance of season, as recommended by the Commission's rate witness, are reasonable and should be established concurrently with the increased rates and charges hereinabove found justified.

3. A charge for dried beans removed from storage within the month following the termination of the storage period, of the same level as proposed by applicants for paddy rice (Item No. 90 of the proposed tariff), as recommended by the Commission's rate witness, is reasonable and should be established concurrently with the increased rates and charges hereinabove found justified.

Since the commencement of the bean storage season is imminent, the effective date of the authorizing order will be five days after the date hereof and applicants will be permitted to establish the increases on not less than five days' notice to the Commission and to the public.

SUPPLEMENTAL ORDER

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

IT IS ORDERED that:

1. Applicants are authorized to establish the increased rates and charges and other tariff adjustments, other than those relating to grain and safflower, as proposed in Application No. 42521, as amended, insofar as said increases have not heretofore been authorized by Decision No. 61970, subject to the condition that the season

storage charges on beans shall be computed on the cleaned weight of the beans stored. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than August 1, 1962 on not less than five days' notice to the Commission and to the public.

2. Concurrently with the establishment of the increased rates and charges hereinabove authorized applicants shall publish charges for commodities received in advance of season, in the amounts and subject to the conditions set forth on Page 23 (Item No. 55) of Exhibit No. 27, in this proceeding.

3. Concurrently with the establishment of the increased rates and charges hereinabove authorized applicants shall publish a charge for dried beans removed from storage within the month following the termination of the storage season, of the same level and subject to the same conditions as proposed by applicants for rice in Item No. 90 of the proposed tariff (Page 9 of Appendix B to Application No. 42521).

4. Except as provided in the first ordering paragraph, above, and by Decisions Nos. 61970 and 63728, Application No. 42521 is hereby denied.

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

Dated at San Francisco, California, this 17th day of July, 1962.

*I dissent.
In my opinion
the board
does not justify
the relief
granted.
Overton*

George A. Grover
President

E. J. Fox

Frederick B. Holhoff

_____ Commissioners