ORIGINAL

Decision No. 64033

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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 any and all commodities between and within all points and places in the State of California (including but not limited to, transportation for which rates are provided in Minimum Rate Tariff No. 2).

Case No. 5432
Petition for Modification
No. 255

Paul Stepner, for Pillsbury Co., petitioner.

R. L. Whitehead, for Kraft Foods; Harry E.

Bockwood, for General Mills, Inc.,
Sperry Operation; R. D. Toll, A. D. Poe and J. X. Quintrall, for California
Trucking Associations, Inc., Interested parties.

Arthur F. Burns, for the Commission staff.

<u>OPINION</u>

Public hearing on the petition was held before Examiner J. E. Thompson at San Francisco on April 27, 1962, on which date the matter was submitted.

The Pillsbury Company requests the establishment in Minimum Rate Tariff No. 2 of a fourth class exception rating on dough, prepared, not cooked, frozen or not frozen, with or without topping, as described in Western Classification Item No. 39780-B, minimum weight 5,000 pounds and subject to charges provided in Items Nos. 185 and 185-1 (Temperature Control Service) of said Minimum Rate Tariff No. 2.

Petitioner manufactures dough for baking biscuits, cookies, rolls, doughnuts and similar baked goods. The dough is packaged in cylindrical containers or cellophane wrappers. The

products, other than biscuit dough, are packed in outside containers and as shipped weigh between 7.4 pounds and 16.6 pounds per case with weight densities ranging from 42.7 pounds to 57.3 pounds per cubic foot. The wholesale values per pound of the articles are from 26.4 cents to 43 cents per pound.

A large portion of Pillsbury's dough products are distributed by private trucks operated by it. These trucks not only handle shipments out bound from Pillsbury's Los Angeles plant, but are also used for transporting ingredients to the plant. Dough products shipped via common carriers ordinarily consist of mixed shipments weighing over 5,000 pounds containing biscuit dough as well as other prepared dough.

On June 27, 1961, the Commission, by Decision No. 62210 in Case No. 5432, Petition No. 223 (The Borden Company), established a fourth class exception rating on biscuit dough. On less than carload mixed shipments including biscuit dough and other prepared dough tendered by petitioner to common carriers, the biscuit dough is rated at fourth class and other dough is rated at second class pursuant to ratings in Item No. 39780-B of the Western Classification. Petitioner states that traffic now moving in private carriage would be diverted to for-hire carriage if the exception rating herein sought is established.

Petitioner's traffic manager stated that prior to the filing of the petition he had discussed the matter with officials of the California Trucking Associations, Inc. (CTA), and had been informed that the latter would not object to the fourth class rating if it is subject to a minimum weight of 5,000 pounds. At the hearing CTA did not oppose the proposed exception rating. It did oppose the granting of a fourth class rating without the weight limitation. Kraft Foods and General Mills supported the petitioner.

I There is no other explanation in the record concerning the proposed weight limitation.

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Their representatives stated that their companies have shipments of prepared dough weighing less than 5,000 pounds.

Petitioner compared the densities and values of prepared dough with biscuit dough, cottage cheese, butter, margarine, candy coating, macaroni and cheese, malt, milk and cocoa compound, malted milk, abrasive cloth or paper and cellulose film. The articles, other than prepared dough, are subject to fourth class exception ratings in Minimum Rate Tariff No. 2. The densities and values per pound of the prepared dough are comparable to the aforesaid articles.

Petitioner also pointed out that it is common practice for tariff descriptions on dough products to be sufficiently broad so as to include all dough products, and that this was the case in California until the fourth class exception rating was established on biscuit dough.

No reason was given for the proposed minimum weight of 5,000 pounds. While petitioner's shipments ordinarily exceed that weight, the same is not true regarding shipments made by Kraft Foods and General Mills.

After consideration of all of the facts, we find that a rating of fourth class is the just, reasonable and nondiscriminatory minimum rating for the transportation of less-than-carload shipments of prepared dough, not cooked, frozen or not frozen, with or without topping, subject to charges provided in Items Nos. 185 and 185-1 (Temperature Control Service) of Minimum Rate Tariff No. 2.

ORDER

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

IT IS ORDERED that:

1. Minimum Rate Tariff No. 2 (Appendix "D" of Decision No. 31606, as amended) is further amended by incorporating therein, to become effective September 15, 1962, Thirty-sixth Revised Page 5 and Second Revised Page 37-C, which pages are attached hereto and

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hereby made a part hereof.

- That tariff publications authorized to be made by common carriers as a result of the order herein may be made effective not earlier than the tenth day after the effective date of this order. and may be made effective on not less than ten days' notice to the Commission and to the public if filed not later than sixty days after the effective date of the minimum rate tariff pages incorporated in this order.
- 3. Common carriers, in establishing and maintaining the exception rating authorized hereinabove, are hereby authorized to depart from the provisions of Article XII, Section 21, of the Constitution of the State of California and Section 460 of the Public Utilities Code to the extent necessary to adjust long-andshort-haul departures now maintained under outstanding authorizations; such outstanding authorizations be and they are hereby modified only to the extent necessary to comply with this order; schedules containing the exception rating published under this authority shall make reference to prior orders authorizing longand-short-haul departures and to this order.
- 4. In all other respects said Decision No. 31606, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 3/pt day of_

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Coloring, Confectioners	360	Earths, Infusorial or	
Compound, cleaning (M)	377.5,723-726	Diatomaccous	650
Compound, olectrical		Egg Yolk	320
insulating (M)	377.5,723-726	Eggs, Shelled	360
Compound, malt, milk		Egyptian Whoat	652-6543
and cocoa	360,375	Elevator Dust	652-654
Compound, metal cutting,		Elevators, Pipe or	
drawing or drilling (M)	377.5,723-726	Sucker Rod	365
Compound, point thin-		Emery	302
ning (M)	377.5,723-726	Emmor	652-654 2
Compound, radiator		Engines (M)	365
closning (M)	377.5,723-726	Ether (M)	377.5,723-726
Compound, rust prevent-		Explosivos	337
ing or removing (M)	377.5,723-726	Extorminators, vermin(M)	377.5,723-726
Compound, typo		Detracts	360
clooning (M)	377-5,723-726	Extracts, coffee (con-	
Compound, water-		densed coffee), dry	334,360
proofing (M)	377.5,723-726		100 4,00 11
Compounds, anti-freeze (M)	377.5.723-726	Farina	652-654 2
Compounds, Bleaching,		Farina and Whoat Germ	652-6542
Cleaning, Scouring,		Food, Animal	338,620-630,
Washing	3342,730		652-654
Compounds, buffing or		Food, Borley Hay	652-654
polishing	3342	Food, Bean Straw (M)	652-654
			0,200,22
	<u> </u>		1

(M) Donotos articlos on which application of rates is limited to mixed shipments.

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EFFECTIVE SEPTEMBER 15, 1962

Issued by the Public Utilities Commission of the State of California, San Francisco, California.

Correction No. 1264

First Revised Page 37-C

Carload:

11

Minimum Weight 30,000 pounds ---

42,000

17

(1) Not applicable to shipments which are subject to charges for temperature control service.

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MINIMUM RATE TARIFF NO. 2

5 B C

(1)D

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)		
	EXCEPTIONS TO WESTERN CLASSIFICATION AND EXCEPTION SHEET (Continued)	Class Rating	
333.5	Coconut, prepared, Less carload	4 5	
334	Coffee, extract of (condensed coffee), dry, Less carload	14	
331 1	Compounds, buffing or polishing, not otherwise indexed by name in the Western Classification, including boat, floor, furniture or vehicle polish or wax, Less carload	<u>)</u> :	
3342	Compounds, cleaning, scouring or washing, not otherwise indexed by name in the Western Classification, Less carload	14	
331-2	Confectionery, Viz.: Candy coating, other than chocolate, Powder, icing, Less carload	4	
335	Covers, hood, radiator, seat, spring, steering wheel, tire or top, cotton cloth, not fitted or formed, Less carload	3	
¢336	Dough, biscuit, prepared, other than frozen, subject to Items Nos. 185 and 185-1, ***ODough, prepared, not cooked, frozen or not frozen, with or without topping, in boxes or packages, subject to Items Nos. 185 and 185-1, Less carload	1,	
337	Explosives, as described in and subject to the provisions of Item No. 520 of the Exception Sheet, Minimum Weight 20,000 pounds	3	
	Feed, animal, containing meat or fish or a mixture of meat or fish and cereals or vegetables, in metal cans in boxes, or in metal cans in metal strapped bundles or in crates, not subject to Item No. 300, Less carload	90% of	



339	Flour, prepared, edible, manufactured from one or more of the articles included in List 1 (Grain), Item No. 652, or Rice Flour, Bean Flour, or Potato Flour, with more than 40% but no more than 80% of other ingredients. Minimum Weight 10,000 pounds	90% of 4 B
340	Flowers, fresh, cut, Less carload	1
*	Change) Addition Decision No. 64033 Reduction)	
	EFFECTIVE SEPTEMBER 15, 1962	2
	Issued by the Public Utilities Commission of the State of Cal San Francisco, Cal tion No. 1265	