

ORIGINAL

Decision No. ~~67584~~

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:)
FLOUR TRANSPORT, INC., a California)
corporation, for authority to deviate) Application No. 46825
from minimum rates pursuant to) (Filed July 20, 1964)
Section 3666 of the Public Utilities)
Code for the transportation of flour)
in bulk for specified shippers.)

OPINION AND ORDER

By this application, applicant requests authority to charge rates less than the minimum rates for the transportation of flour, in bulk, for certain specified shippers from plant sites and rail sidings to various bakeries located in Los Angeles and Orange Counties.

Applicant has transported flour in bulk in the area involved in this application since commencing operations in February, 1962. This traffic was subject to minimum rates which were published in Item No. 654-1/2 of Minimum Rate Tariff No. 2. Applicant avers that those rates were unrealistically low for the specialized service performed by applicant and for that reason applicant's actual rates for the transportation have been maintained at a level above the minimum rates published on bulk flour in the aforesaid Item No. 654-1/2. Effective July 25, 1964, the rates previously in effect on flour, in bulk, in Item No. 654-1/2, Minimum Rate Tariff No. 2, were canceled with the rates previously published in the same item applicable on flour in packages, among other commodities, becoming the minimum rates on flour in bulk. A comparison of the minimum rates published in Item No. 654-1/2 of Minimum Rate Tariff No. 2 prior to July 25, 1964, those effective on that date, and rates now assessed by the applicant is as follows:

RATES

<u>Miles</u>		<u>Prior to</u> <u>July 25, 1964</u>		<u>Rates Effective</u> <u>July 25, 1964</u>		<u>Actual Rates</u> <u>Now Assessed</u> <u>by Applicant</u>	
<u>Over</u>	<u>But Not</u> <u>Over</u>	<u>Item No. 654-1/2</u> <u>30,000#</u>	<u>40,000#</u>	<u>30,000#</u>	<u>40,000#</u>	<u>30,000#</u>	<u>40,000#</u>
0	10	8.75	7.25	10	9.5	11.5	9.5
10	15	9.25	7.75	12	11	12.0	10.0
15	20	10.5	8.25	13	12	12.5	10.5
20	25	11.5	9.25	14	13	13.0	11.0
25	30	12.5	10.5	15	14	13.5	11.5

The 30,000 pound rates are rarely used with the average load being 40,000 to 41,000 pounds and ranging upward to approximately 43,000 pounds.

According to applicant this request for relief is necessary as a result of the changes in the rates in Minimum Rate Tariff No. 2, scheduled to become effective July 25, 1964. It was the understanding of the applicant that bulk flour rates would not be changed as a result of the changes in minimum rates effective July 25, 1964. However, in view of the substantial increases in bulk flour rates scheduled to become effective July 25, 1964, applicant requests that the relief be granted at the earliest possible time.

Upon consideration of the facts and special circumstances herein alleged, the Commission concludes that the proposed rates should be authorized until December 1, 1964, pending decision on evidence to be adduced at a public hearing. The Commission finds that the proposed rates will be reasonable pending such consideration and disposition.

IT IS ORDERED that:

1. Flour Transport, Inc., is authorized to transport grain or rice flour (including chemical or other ingredients not to exceed 4 percent of the weight of the shipment transported), in bulk, and semolina or semolina and grain flour, in bulk, between plant sites, rail sidings and bakeries located in Los Angeles and Orange Counties for the milling companies named in Appendix A attached hereto and by this reference made a part hereof at the rates and subject to the conditions also set forth in said Appendix A.

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2. The authority herein granted shall be subject to cancellation or revision by the Commission upon consideration of evidence to be adduced at a public hearing to be scheduled, and shall in any event expire with December 1, 1964, unless otherwise ordered by the Commission.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 24th day of July, 1964.

Fredrick B. Hallock
President

Paul R. Northrup

George W. Page

George J. Crover

William W. Bennett
Commissioners

APPENDIX A TO DECISION NO. 67584

APPLICATION OF RATES

By: FLOUR TRANSPORT, INC.

For: California Milling Corporation, Capitol Milling Company, Centennial Mills Incorporated, Colorado Milling & Elevator Co., Fisher Flouring Mills Co., General Mills Inc., Ingelhart Operations, The Ismert-Hincke Milling Co., Kansas Milling Company, New Era Milling Company, The Pillsbury Company, Quaker Oats Company, Russell Miller Milling Co., Salt Lake Flouring Mills, Sheridan Flouring Mills.

1. Commodity:

Grain or Rice Flour, in bulk. Grain or Rice Flour, in bulk, chemical or other ingredients not to exceed four percent. Semolina or Semolina and Grain Flour, in bulk.

2. Rates:

Rates in Cents per 100 Pounds
 Subject to Provisions in Notes One to Nine
 Mileage to be Computed in Accordance with the Commission's Distance Table Applicable to
 Minimum Rate Tariff No. 2

<u>Miles</u>		<u>Rates</u>	
<u>Over</u>	<u>But Not Over</u>	<u>Minimum Weight 30,000 Pounds</u>	<u>Minimum Weight 40,000 Pounds</u>
0	10	11.5	9.5
10	15	12.0	10.0
15	20	12.5	10.5
20	25	13.0	11.0
25	30	13.5	11.5

Note 1 - Loading Time: An additional charge of \$3.00 shall be assessed for each 45 minute period or fraction thereof after the first 45 minutes of free time.

Note 2 - Rail Car Service: Add 1.5 cents per 100 pounds for rail car service. Add an additional .5 cent (total 2.0 cents) if Flour Transport, Inc. furnishes electrical power at designated team track.

Note 3 - Weighing Service: Add \$15 per car for weighing service provided in connection with unloading of rail cars.

- Note 4 - Rate Computation: When charges accruing on a shipment based on actual weight exceed the charges computed on a rate based on a greater minimum, the latter shall apply.
- Note 5 - Demurrage: Add \$32.00 for each twenty-four hours or fraction thereof that a loaded trailer must wait in order to effect delivery.
- Note 6 - Returns: If flour is delivered to consignee, refused, returned to mill or car for unloading, a charge of one- and-one-half times normal applicable rate will be made.
- Note 7 - Sunday Delivery: Add 3.0 cents per 100 pounds when Sunday delivery is specified.
- Note 8 - Special Set Up: Add 3.0 cents per 100 pounds when delivery is made to a bakery not equipped for truck delivery (220 three phase power and reasonable access).
- Note 9 - Shipping Notice: Add 2.0 cents per 100 pounds when shipment must be made with less than twelve hours notice if driver call back is required.

END OF APPENDIX A