

**ORIGINAL**

Decision No. 70233

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of WALKUP'S MERCHANTS EXPRESS, a )  
corporation (formerly WALKUP )  
DRAYAGE AND WAREHOUSE COMPANY), )  
for authorization to transport for )  
compensation or hire over the public )  
highways in the City and County of )  
San Francisco, certain commodities )  
listed in the application. )

Application No. 48103  
(Filed December 7, 1965)

OPINION AND ORDER

Walkup's Merchants Express (formerly Walkup Drayage and Warehouse Company) holds radial highway common carrier, highway contract carrier and city carrier permits. By Decision No. 68460 dated January 12, 1965, in Application No. 46956, as amended, applicant's predecessor was authorized, as a city carrier, to charge rates less than the applicable minimum rates for the transportation of flour, in bulk and in sacks, between points in San Francisco Zone 1 for Langendorf United Bakeries, Inc., (Langendorf). The current authority is scheduled to expire February 1, 1966.

By this application, applicant seeks an extension of the current rate authority granted to its predecessor, with certain modifications, for a further one-year period. The modifications which applicant proposes involve (a) the elimination of the less-than-minimum rate for the transportation of flour, in sacks, and

(b) an increase in the authorized rate on bulk flour from 10½ cents to 11 cents per 100 pounds.<sup>1</sup>

Applicant's predecessor had been transporting flour for Langendorf for many years, during part of which time it had authority from the Commission to charge less than the minimum rate. Originally, only the movement of flour in sacks was involved. During the latter part of 1962, Langendorf commenced shipping quantities of flour in bulk by rail car into San Francisco. The flour is transported in special truck equipment with a mechanical device which permits the carrier to remove the bulk flour from rail cars through suction and discharge the commodity at destination by blower. Results from the use of this special equipment showed that the time required in the loading or unloading of bulk flour is substantially less than that consumed in handling sacked flour. Langendorf indicated to the carrier that it was aware of the cost of handling the flour and that it would procure equipment to transport the flour if relief from the minimum rates was not obtained. Such relief was granted pursuant to Decision No. 68460, supra.

Applicant alleges that there has been no change in the circumstances requiring a special rate for the transportation of flour in bulk. It is averred that the requirement for transportation of flour in sacks has lessened considerably and, consequently no need for rate relief now exists in connection with such shipments.

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<sup>1</sup> No authority for the increase is required inasmuch as applicant performs the transportation as a city carrier for which only minimum rates have been established. Authority to continue the use of the sought rate on bulk flour beyond February 1, 1966, is required, however, inasmuch as the proposed rate is below the minimum rate otherwise applicable.

Applicant declares that the volume of traffic transported under the current authority is substantially above the minimum requirement of 50,000 barrels per calendar year. Applicant asserts that it has experienced some increases in costs of transporting bulk flour and that the proposed increase in the rate for this transportation is necessary to offset such increased costs.

Revenue and expense data indicate that the transportation of flour in bulk has been profitable and reasonably may be expected to be profitable for the ensuing year.

The certificate of service shows that a copy of the application was served upon California Trucking Association and Draymen's Association of San Francisco on December 6, 1965. The application was listed on the Commission's Daily Calendar of December 7, 1965. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rate is reasonable and consistent with the public interest. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. Walkup's Merchants Express, a corporation, is hereby authorized to transport flour, in bulk, for Langendorf United Bakeries, Inc., within the City and County of San Francisco at a rate less than the minimum rate established for such transportation but not less than the rate set forth in, and subject to the conditions specified in, Appendix A attached hereto and by this reference made a part hereof.

2. The authority granted herein shall, on and after February 1, 1966, supersede the authority granted by Decision No. 68460 and shall expire with February 1, 1967.

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

Dated at San Francisco, California, this 11<sup>th</sup> day of January, 1966.

Frederick B. Holcomb  
President  
George T. Trover  
Commissioners  
William L. Brune

APPENDIX A TO DECISION NO. 70233

WALKUP'S MERCHANTS EXPRESS

Minimum Rates for the Transportation  
of Flour within the City and County of  
San Francisco for Langendorf United  
Bakeries, Inc.

Section I

Item 10: Application of Rates - General

Except as specifically provided for in Section II, the minimum rates, rules and regulations set forth in City Carriers' Tariff No. 1-A shall apply.

Section II

Item 20: Application of Rate

The rate shown in this section applies to the transportation of flour, in quantities of not less than 50,000 barrels per calendar year, in in-haul service from points in Zone 1 to Langendorf Bakeries in Zone 1.

Item 30: Rate in Cents per 100 Pounds

	<u>Rate</u>
Flour, in bulk	11½ <sup>(1)</sup>

(1) Not subject to accessorial charges in Item 80 of City Carriers' Tariff No. 1-A for other than tailgate unloading.

(End of Appendix A)