

ORIGINAL

Decision No. 73918

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 devi-)
ate from minimum rates pursuant to)
Sections 3666 and 4015 of the Public)
Utilities Code for the transporta-)
tion of flour, in bulk.)

Application No. 49976
(Filed January 26, 1968)

INTERIM OPINION AND ORDER

Flour Transport, Inc. (Flour), a corporation, is a highway contract carrier and city carrier engaged in the transportation of flour, in bulk, between various places in southern California. By this application, Flour seeks authority to deviate from the Commission's minimum rates by assessing, in lieu of a vehicle unit rate based on a 30-day month, a vehicle unit rate of \$1,725 plus 20 cents per mile based on a calendar month for the transportation of flour and related commodities, in bulk, for The Pillsbury Company between points within a radius of 250 air miles of Los Angeles.

Applicant states that technological changes since January 1, 1963, have had substantial impact on the transportation of flour, in bulk, and that a loading system has been developed whereby 40,000 pounds of flour can be loaded in no more than three to five minutes by simply dropping this commodity into trucks from overhead gravity bins. Applicant contends that this innovation has reduced loading time from a prior average of approximately one and one quarter hours and that delays due to congestion are no longer encountered for loading or unloading. Applicant declares that unloading time ranges from slightly under thirty minutes to a maximum of one and one quarter hours.

Applicant avers that the proposed charges are based on the existing minimum monthly vehicle unit rate for a gas tractor pulling a shipper owned trailer of \$1325.00 plus \$400.00 per month for the cost of, and a reasonable profit on, the pneumatic trailer. Applicant asserts that the proposed mileage rate of 20 cents per mile is the same as the minimum rate prescribed by the Commission for a three-axle gas tractor pulling an insulated van over 28 feet or a hopper semi-trailer.

According to applicant, the proposed rates are necessary to prevent substantial diversion of this traffic to proprietary transportation. Applicant alleges that the shipper desires to commence the proposed transportation at the earliest possible time.

The certificate of service shows that a copy of the application was served on California Trucking Association on January 25, 1968. The application was listed on the Commission's Daily Calendar of January 30, 1968. No objection to the granting of the application has been received.

Subject to further review upon consideration of additional evidence which may be adduced at a public hearing to be scheduled in this proceeding, it appears, and the Commission finds, that the rates sought herein are reasonable and consistent with the public interest to the extent hereinafter indicated. In view of the existing threat of proprietary transportation and applicant's urgent need for the relief sought herein, the Commission concludes that Flour should be granted interim authority for a period of six months, unless sooner canceled, changed or extended by order of the Commission. A future hearing will be scheduled in this proceeding.

Inasmuch as monthly vehicle unit rates are involved, the authority will be made effective April 1, 1968, in order that the rates may be related to the calendar month.

IT IS ORDERED that:

1. Flour Transport, Inc., is hereby authorized to transport:

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

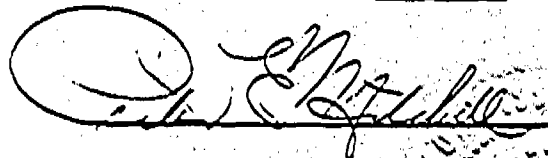
for The Pillsbury Company between points more particularly set forth in Appendix A attached hereto, at rates different than the established minimum rates but not less than those set forth, and subject to the conditions specified, in said Appendix A.

2. The authority granted herein shall expire with September 30, 1968.

3. A public hearing shall be scheduled in this proceeding for the receipt of evidence on this application.

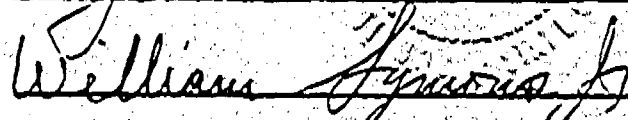
This order shall become effective April 1, 1968.

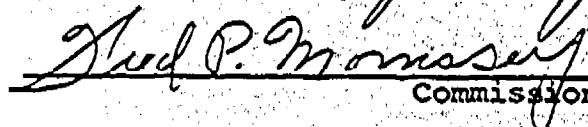
Dated at Los Angeles, California, this 26th day of March, 1968.



President







Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A TO DECISION NO. 73918

APPLICATION OF RATES

By: Flour Transport, Inc.

For: The Pillsbury Company

Territory:

Radius of 250 air miles from the base of operations at
5471 Ferguson Drive, Los Angeles.

Commodity:

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

Equipment:

Type of Carrier's Motor Power Equipment:

Three Axle Gas Tractor

Type of Trailer or Semi-Trailer Equipment:

Pneumatic trailer, over 28 feet lineal loading space

Base Monthly Vehicle Unit Rates (Subject to Notes 1, 2 and 3):

Base rates in dollars per unit of carrier's equipment per
calendar month.

Base monthly vehicle unit rate, \$1,725.

Mileage rate, 20 cents (in cents per mile).

Note 1 - Maintenance: Flour Transport, Inc. shall maintain
trailers in clean and sanitary condition suitable for
the hauling of bulk edible flour.

Note 2 - Rail Car Service: When Flour Transport, Inc. furnishes
power to unload rail cars at rail team tracks an additional
charge of $\frac{1}{2}$ cent per 100 pounds will be assessed. When
Flour Transport, Inc.'s portable unloading equipment is
utilized for unloading rail cars an additional charge of
 $\frac{1}{2}$ cent per 100 pounds will be assessed.

- Note 3 - Base monthly vehicle unit rates authorized by this Order shall be applicable on a calendar month basis.
- Note 4 - In all other respects the provisions of rates and charges of Minimum Rate Tariff No. 15 shall apply.
- Note 5 - In the event service pursuant to this order is not commenced at the beginning of any calendar month carrier is authorized to prorate charges on a calendar month basis for the portion of the first month and enter into an agreement accordingly.

(End of Appendix A)