

ORIGINAL

Decision No. 74262

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
WALKUP'S MERCHANTS EXPRESS, a cor-)	
poration, for permission to charge)	Application No. 50222
less than minimum rates for the)	(Filed May 8, 1968)
transportation of green coffee for)	
Hills Bros. Coffee, Inc., in the)	
City and County of San Francisco.)	

OPINION AND ORDER

Walkup's Merchants Express, a corporation, holds radial highway common carrier, highway contract carrier and city carrier permits. By Decision No. 72549 dated June 6, 1967, in Application No. 49351, applicant was authorized to charge a rate less than the established minimum rate for the transportation of green coffee for Hills Bros. Coffee, Inc., from piers on the San Francisco waterfront to the coffee company's plant in San Francisco. The currently authorized rate is 14 cents per 100 pounds and is subject to a minimum weight of 1,000 tons per calendar month, the monthly tonnage to be averaged over twelve calendar months. The above authority is scheduled to expire with June 30, 1968.

By this application, applicant seeks authority to: (1) extend the current rate authority to and including June 30, 1969; (2) modify the authority by including movements of green coffee within San Francisco from the piers to public warehouses and from such warehouses to the shipper's plant; and (3) increase the less-than-minimum rate now authorized to 15½ cents per 100 pounds.¹

¹No authority for an increase in the rate now authorized is required inasmuch as applicant performs this transportation as a city carrier for which only minimum rates have been established.

Applicant alleges that, except for an increase in its labor cost and an increase in the volume of the coffee movement in San Francisco, there has been no change in the circumstances which justify a reduced rate for the transportation involved herein. According to applicant, the volume of the traffic is substantially above the minimum tonnage requirements specified in the existing authority. Applicant asserts that it has experienced an increase in labor cost for the transportation involved herein which requires that the rate now authorized be increased as proposed for the forthcoming year.

According to applicant, the shipper has requested that the rate authority be modified to include service within San Francisco from the piers to public warehouses and from such warehouses to the shipper's plant. Applicant states that the coffee moves in the same equipment between all points, is handled by the same carrier personnel and involves identical cost factors. Applicant alleges that, since the transportation circumstances and cost factors involved are the same for the proposed service as those involved in the present service, it should be authorized to provide such additional transportation at the proposed rate and thereby assure the shipper an equitable minimum rate structure for the transportation of green coffee between all such points in San Francisco.

Applicant and its predecessor, Walkup Drayage and Warehouse Company, have performed this transportation under prior rate authorities for many years past and applicant desires to

maintain its long-standing relationship with the shipper by providing service between the points specified at the proposed rate.

Revenue and expense data submitted with the application indicate that the transportation involved has been profitable and reasonably may be expected to be profitable during the ensuing year.

The certificate of service shows that copies of the verified application were mailed to Draymen's Association of San Francisco and California Trucking Association on May 8, 1968. The application was listed on the Commission's Daily Calendar of May 9, 1968. 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.

In view of the impending expiration date of the current authority, the order which follows will be made effective June 30, 1968.

IT IS ORDERED that:


1. Walkup's Merchants Express, a corporation, is hereby authorized to transport green coffee for Hills Bros. Coffee, Inc., from piers on the San Francisco waterfront and from public warehouses located in San Francisco to the coffee company's plant in San Francisco; and from piers on the San Francisco waterfront to public warehouses in San Francisco at a rate less than the minimum rate established for such transportation but not less than 15½ cents per 100 pounds, subject to a minimum weight of 1,000 tons

per calendar month, the monthly tonnage to be averaged over twelve calendar months commencing with the month in which the property is first transported.


2. The authority herein granted shall, on and after June 30, 1968, supersede the authority granted by Decision No. 72549 and shall expire with June 30, 1969.


This order shall become effective June 30, 1968.

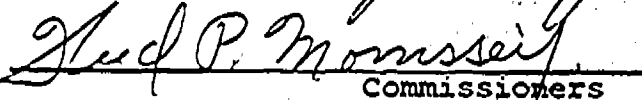
Dated at San Francisco, California, this 18th day of June, 1968.



President






Commissioners

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