

Decision No. 76307

ORIGINAL

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  
from minimum rates pursuant to Section  
3666 of the Public Utilities Code for  
the transportation of starch, in bulk,  
for specified shippers.

Application No. 51385  
(Filed September 22, 1969)

O P I N I O N

Flour Transport, Inc., a corporation (Flour), is a highway contract carrier engaged principally in the transportation of flour and corn starch, in bulk, between points in Southern California. By Decision No. 74902, dated November 6, 1968, in Application No. 50145, Flour was authorized to charge rates less than the minimum rates set forth in Minimum Rate Tariffs Nos. 2 and 5 for the transportation of dry starch or dry starch substitutes in bulk for Corn Products Company between points and places in Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, Ventura, San Luis Obispo and Kern Counties. Said authority is scheduled to expire December 1, 1969. In this application, Flour seeks to extend its present authority for an additional year.

In support of the relief sought, the application alleges that Flour's present authority was granted following public hearing in which Flour introduced cost evidence showing that the rates proposed by it would be profitable. The application herein alleges that the conditions and circumstances which prevailed at the time of the hearing in Application No. 50145 still prevail.

The application alleges that Flour's operations under its current authority have been profitable and will continue to be under the proposed rates. The application contains profit and loss statements for the year ended December 31, 1968 and for the first six months of 1969. These statements indicate that applicant's overall operations were profitable for the periods reflected therein.

The application further alleges that the same rates sought herein are filed with Interstate Commerce Commission for the movement of corn starch in interstate traffic. The application states that as the transportation involves the unloading and delivery of merchandise from rail freight cars shipped from points outside of this State, applicant believes the service it performs is interstate commerce. The authority is requested to avoid the possibility of undercharges should it later be determined that some portion of the transportation service was intrastate in nature, and because there is a possibility that the starch could, at some time in the future, be moved to a storage location rather than directly to the ultimate consignee. The application further states that the continuance of the rate relief will avoid the possibility of any rate misunderstanding and also will continue to place applicant in the position to serve any intrastate needs of the shipper as they may develop.

The application alleges that granting of the requested rate relief will not adversely affect any other carrier as applicant believes that it is the only carrier in Southern California performing the specialized type of transportation service involved

herein. Copies of the application were served in accordance with the Commission's procedural rules. In addition, notice of the filing of the application appeared on the Commission's Daily Calendar of September 23, 1969. There are no protests.

In the circumstances, it appears, and the Commission finds, that the proposed rates will be reasonable. A public hearing is not necessary. The application should be granted.

O R D E R

IT IS ORDERED that:

1. Flour Transport, Inc. is authorized to transport dry starch or dry starch substitutes in bulk for Corn Products Company between points in Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, Ventura, San Luis Obispo and Kern Counties at rates less than the established minimum rates but not less than those set forth, 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 expire with December 1, 1970.

3. The authority granted herein shall, after the effective date of this order, supersede the authority granted by Decision No. 74902 in Application No. 50145.

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

Dated at Los Angeles, California, this 21<sup>st</sup> day of OCTOBER, 1969.

William Sproule  
President

Augusta

J. P. [unclear]

[unclear]

Yvonne L. [unclear]  
Commissioners

APPENDIX A  
Page 1 of 2

By: Flour Transport, Inc.

For: Corn Products Company

Commodity:

Dry starch or starch substitutes, in bulk.

Authorized Rates (in cents per hundred pounds):

- A. Rates lower than minimum rates otherwise prescribed but not less than the following rates applicable between points and places within the Los Angeles Drayage Area (as defined in Minimum Rate Tariff No. 5). Rates subject to Notes 1 through 9. Mileages to be computed in accordance with the Commission's Distance Table 7, supplements thereto or successive issues thereof.

<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	3	10.5	8.5
3	5	11.0	9.0
5	10	11.5	9.5
10	15	12.0	10.0
15	20	12.5	10.5
20	25	13.0	11.0

- B. Rates lower than minimum rates otherwise prescribed but not less than the following rates applicable between points in Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, Ventura, San Luis Obispo and Kern Counties. Rates subject to Notes 1 through 8 and Note 10. Mileages to be computed in accordance with the Commission's Distance Table 7, supplements thereto or successive issues thereof.

<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	3	10.5	8.5
3	5	11.0	9.0
5	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
30	35	14.0	12.0
35	40	15.0	13.0
40	45	16.0	14.0
45	50	17.0	15.0
50	60	19.0	17.0
60	70	20.0	18.0

APPENDIX A  
Page 2 of 2

- Note 1 - Loading Time: An additional charge of \$2.00 shall be assessed for each 15 minutes period or fraction thereof after the first 30 minutes of free time, except on rail car service. Free time is not to commence before scheduled arrival time at the loading hopper or actual arrival time, whichever is later.
- Note 2 - Rail Car Service: Add 4.0 cents per 100 pounds for rail car service, which shall include electrical power furnished by Flour Transport, Inc. for unloading rail cars at the designated team tracks. Add an additional 50.0 cents, per one-way mile, per unit of equipment, per calendar day, for rail cars unloaded from team tracks located in San Bernardino, Riverside, Santa Barbara, Ventura, San Luis Obispo and Kern Counties, California. Mileage shall be computed from the terminal of Flour Transport, Inc., located at 4325 Fruitland Avenue, Los Angeles, California, to the designated location of the rail car in Riverside or San Bernardino County. Add an additional 2.5 cents per 100 pounds if the rail car is not unloaded in one calendar day through no fault of Flour Transport, Inc., utilizing one unit of equipment.
- Note 3 - Weighing Service: Add \$5.00 per truckload 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: If delivery cannot be accomplished and the trailer is put out of service without driver in attendance, a charge of \$1.50 per hour will be assessed after the first two hours. If a driver is in attendance, a charge of \$14.00 per hour will be assessed.
- Note 6 - Returns: If starch is delivered to consignee, refused, returned for unloading, a charge of one and one-half times normal applicable rate will be made.
- Note 7 - Sunday and Holiday Delivery: Add 3.0 cents per 100 pounds when delivery is specified on Sunday, New Year's Day, Washington's Birthday, Memorial Day, Fourth of July, Labor Day, Veterans Day, Thanksgiving or Christmas Day.
- Note 8 - Special Setup: Add 3.0 cents per 100 pounds when delivery is made to a plant not equipped with 220 or 440 three-phase electrical power.
- Note 9 - In all other respects, the provisions of Minimum Rate Tariff No. 5 are applicable.
- Note 10 - In all other respects, the provisions of Minimum Rate Tariff No. 2 are applicable.