

ORIGINAL

Decision No. 76862

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the investigation
into the rates, rules, regulations,
charges, allowances and practices
of all common carriers, highway
carriers and city carriers relating
to the transportation of any and all
commodities between and within all
points and places in the State of
California (including but not limited
to transportation for which rates are
provided in Minimum Rate Tariff No. 2).

Case No. 5432
(Petition for Modification
No. 573)
(Filed January 26, 1970)

In the matter of the investigation
into the rates, rules, regulations,
charges, allowances and practices of
all common carriers, highway carriers
and city carriers relating to the
transportation of property in the City
and County of San Francisco and the
Counties of Alameda, Contra Costa,
Lake, Marin, Mendocino, Monterey, Napa,
San Benito, San Mateo, Santa Clara,
Santa Cruz, Solano and Sonoma.

Case No. 5441
(Petition for Modification
No. 186
(Filed January 26, 1970)

O P I N I O N

By Decision No. 75477, dated March 25, 1969, in Petitions for Modification Nos. 532 and 157, in Cases Nos. 5432 and 5441, respectively, Walkup's Merchants Express, a corporation, was authorized to publish rates less than those established as minimum for the transportation of flour in bulk between certain points in the San Francisco Bay Area.^{1/} Said authority is scheduled to expire March 31, 1970. By the above petitions, Alltrans Express California, Inc., a corporation, doing business as Walkup's Merchants Express

^{1/} Decision No. 75896, dated July 8, 1969, clarified the application of the authorized rates.

(hereinafter called petitioner) seeks to extend the current authority for a period of an additional year, subject to a five percent surcharge on all rates and charges except bridge tolls.

Petitioner alleges that the transportation of flour in bulk under the authorized rates has been profitable in the past and will continue to be profitable in the future absent increases in wage costs. Petitioner alleges that its prevailing agreement with teamsters' unions, which controls the level of wages and benefits paid by petitioner, expires on March 31, 1970 and, along with other similar agreements, will be the subject of negotiation between labor and management on a national basis. Substantial increases in wages and benefits are proposed by the union. Petitioner states that at this time it is not possible to predict what the results of said negotiations will be. Therefore, petitioner proposes that a surcharge of five percent be authorized until March 31, 1971, to be added to presently authorized rates and charges, with the exception that no surcharge is proposed on bridge tolls. Petitioner further states that as soon as the new labor agreement has been ratified, petitioner will determine whether the five percent surcharge is adequate to offset its increased labor cost. If not, petitioner states that it will promptly seek a further increase in rates and charges, accompanied by an appropriate cost study supporting the petition.

Petitioner states that its proposal herein is designed to meet cost conditions which will continue in effect to March 31, 1971, subject to the foregoing situation with respect to labor costs, and requests that any order issued herein be limited to that date.

Attached as Exhibit A to the petitions is a complete statement of the rates and charges sought herein. Exhibit B to the petitions contains the most recent available balance sheet and income statement of petitioner.

Copies of the petitions were served on the California Trucking Association and the Draymen's Association of San Francisco, Inc. Notice of the filing of the petitions appeared on the Commission's Daily Calendar of January 29, 1970. There are no protests. A letter dated January 27, 1970 from the general traffic manager of General Mills, Inc. (Sperry Operations), received herein as Exhibit 1, states that in view of teamster requests in pending labor negotiations, General Mills, Inc., has no objection to the proposed five percent surcharge, and requests that the petitions be granted without hearing.

Prior requests to extend the authorized rates on flour in bulk, including Petitions Nos. 532 and 157, in Cases No. 5432 and 5441, respectively, contained developments of operating costs for the various services involved in the transportation of flour in bulk. The petitions herein do not contain such information; however, petitioner has indicated that it plans to furnish such data in support of any revision of the requested authority because of changes in labor cost.

In view of the foregoing, the Commission finds that the proposed rates will be reasonable and are justified pending receipt of further evidence, including current cost data, at a public hearing. In the circumstances, petitioner will be authorized to continue its current rate authority, subject to the modifications proposed herein, for an additional six-month period, pending public hearing on its petitions.

O R D E R

IT IS ORDERED that:

1. Alltrans Express California, Inc., a corporation, doing business as Walkup's Merchants Express, is authorized to publish and file, to expire September 30, 1970, rates and charges for the transportation of flour, in bulk, between the points and subject to the conditions specifically set forth in Appendix A, attached hereto and by this reference made a part hereof.

2. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public.

The effective date of this order shall be March 26, 1970.

Dated at San Francisco, California, this 3rd
day of 1 MARCH, 1970.

William J. Lyons, Jr.
President

Augustus
J. J. Wilkins

Barbara
Vernon L. Sturgeon
Commissioners

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ALLTRANS EXPRESS CALIFORNIA, INC.

dba

Walkup's Merchants Express

Commodity:

Flour, edible, in bulk, when transported in pneumatic air slide semitrailers, self-contained to discharge flour by pumping.

Authorized rates (in cents per 100 pounds):

A. Rates lower than minimum rates otherwise prescribed but not less than the following rates applicable between points and places:

1. Within the City and County of San Francisco (as defined in Minimum Rate Tariff 19); or
2. Within and between the cities of Alameda, Albany, Berkeley, Emeryville, Oakland, Piedmont (as defined in Minimum Rate Tariff No. 1-B).

Rates subject to Notes 1 through 10.

<u>Actual Miles</u>	<u>Rates in cents per 100 pounds * Minimum Weight 40,000 pounds per shipment</u>
0 - 3	9.5
3 - 5	10.0
5 - 10	10.5

* All rates are subject to Notes 1 through 12.

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B. Rates lower than minimum rates otherwise prescribed but not less than the following rates applicable from San Francisco, Oakland or Vallejo, on the one hand, to destination points beyond the areas described in Paragraph A hereof, but not exceeding 60 constructive miles from the respective points of origin, on the other hand. Mileages to be computed in accordance with the Commission's Distance Table No. 5, supplements thereto or successive issues thereof.

<u>Constructive Miles</u>	<u>Rates in cents per 100 pounds * San Francisco, Oakland or Vallejo Minimum Wgt. 40,000 pounds per shipment</u>
0 - 10	11.5
10 - 15	12.0
15 - 20	12.5
20 - 25	13.0
25 - 30	14.0
30 - 35	14.5
35 - 40	15.0
40 - 45	17.0
45 - 50	18.0
50 - 60	19.0

* All rates are subject to Notes 1 through 12.

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- Note 1 - Rail Car Service - An additional charge of 4.0 cents per 100 pounds for unloading from rail car. Add an additional .5 cents (total 4.5 cents) if Walkup's Merchants Express furnishes electrical power at designated team track.
- Note 2 - Weighing Service - Add \$5.50 per trailer load for weighing service requested on any bulk flour haul.
- Note 3 - 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 4 - Demurrage - If, through no fault of the carrier, delivery cannot be accomplished and the trailer is put out of service without driver in attendance, after the first two hours the added charge will be as follows: \$2.50 per hour for the next consecutive 24-hour period; \$9.50 per hour thereafter. If a driver remains in attendance, a charge of \$15.75 per hour will be assessed.
- Note 5 - Returns - If flour is tendered 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 6 - Special Setup - Add 4.0 cents per 100 pounds when delivery is made to a bakery not equipped for truck delivery (220 three-phase power and reasonable access).
- Note 7 - Service at Other than Regular Hours - Charges for service on Saturdays, Sundays, or holidays, or charges for service requested on week days at hours other than between 8 A. M. and 5 P. M., shall be those charges applicable to the move plus the additional cost to the carrier for supplying labor at the above-mentioned times.
- Note 8 - Loading Time - An additional charge of \$7.88 per hour shall be assessed after the first 15 minutes of free time.
- Note 9 - Payment of Freight Charges - Rates apply only when service is performed for the account of the consignor and consignor undertakes to pay freight charges.
- Note 10 - Multiple Load Shipments - Minimum Charge - When a single shipment is tendered which requires transportation in multiple truckloads and the total weight of such shipment is not divisible by a minimum of 40,000 pounds or a maximum of 42,000 pounds, then a charge will be assessed for the movement of the last truckload based upon the applicable rate applied to a minimum weight of 40,000 pounds, regardless of the actual weight of the last load.

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Note 11 - Bridge Tolls - When a shipment is destined between points requiring movement over the Carquinez Bridge or the San Francisco-Oakland Bay Bridge, an additional charge shall be assessed as follows:

Carquinez Bridge	\$2.00
San Francisco-Oakland Bay Bridge	2.75

Note 12 - All rates and charges herein, except those provided for bridge tolls in Note 11, are subject to a surcharge of 5 percent (5%) which is in lieu of any other surcharge which might otherwise be applicable.