Decision No. 27119.

## BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application ) of R. C. DEARBORN, as Agent for all ) carriers perties to Perishable Pro- ) tective Tariff No. 7, C.R.C. No. 6 ) of R. C. Dearborn, Agent, for author-) ity to amend Rule No. 630 of said ) tariff. Application No. 19437.

L. N. Bradshaw, for applicants.

BY THE COMMISSION:

## <u>O P I N I O N</u>

By this application, as amended, authority is requested to amend Rule 630 of Perishable Protective Tariff No. 7, C.R.C. No. 6 of R. C. Dearborn, Agent, to exclude the provisions of the rule from applying on shipments of fresh fruits and vegetables originating on the Sacramento Northern Railway or the Tidewater Southern Railway Company and destined to points on connecting lines other than The Western Pacific Railroad Company.

A public hearing was had before Examiner Brown on May 29, 1934, and the application submitted.

Rule 630 or the Perishable Protective Tariff provides that on straight or mixed shipments of fresh fruits and vegetables weighing not less than 15,000 pounds, or on which freight charges are assessed on basis of 15,000 pounds per car, transported in individual cars and moving at less than carload or any quantity rates, refrigeration service will be performed without charge.

1.

. The movement from Sacramento Northern Railway or Tidewater Southern Railway points under the provision of this rule is not heavy. In 1933, 45 cars moved from various points on the Sacramento Northern to Los Angeles. There has been no movement from points on the Tidewater Southern Railway for the last past two or three years.

Under present arrangements the cost of initially icing the car at the point of origin is borne entirely by the Sacramento Northern Railway or the Tidewater Southern Railway. A car initially iced requires approximately 10,600 pounds of ice. No salt is used. The cost to the originating carrier is \$18.55 per car. The revenue accruing to the initial carrier is in many cases barely in excess of the cost of furnishing the ice. For example, on a shipment of mixed fruits weighing 15,344 pounds from Live Oak to Los Angeles via the Sacramento Northern Railway via Sacramento, thence Southern Pacific, the revenue accruing to the Sacramento Northern Railway for the joint haul is \$19.33. The cost of icing, as previously stated, is \$18.55, leaving the Sacramento Northern 78 cents per car for the haul of 582 miles to Sacramento. The record shows that should a movement occur from Sims or Hilmar on the Tidewater Southern to Los Angeles, the revenue accruing to the Tidewater Southern Railway would actually be less than the cost of furnishing the ice.

If the application is granted, refrigeration service will still be furnished by the Sacramento Northern Railway or Tidewater Southern Railway Company, but at the cost-of-ice basis pro-

2.

<sup>1</sup> The revenue in 1933 accruing on the other shipments varied from 17 cents to \$33.28 per car. Of the 45 cars transported, 30 produced a revenue of less than \$10 per car.

vided in Section 4 of the Perishable Protective Tariff. This section of the teriff provides a charge of \$3.50 per ton for furnishing ice.

> There were no protests to the amendment of Rule 630. The application will be granted.

## $\underline{O} \ \underline{R} \ \underline{D} \ \underline{E} \ \underline{R}$

This matter having been duly heard and submitted,

IT IS HEREBY ORDERED that Application 19437 as amended be and it is hereby granted.

Dated at San Francisco, California, this 42 day of June, 1934.

auld. au