

All of the applicants propose to transport ice between the Union Ice Company's plant at Watsonville Junction, on the one hand, and the Union Ice Company's Shed and the Growers' Shed adjacent to Salinas, on the other hand. In addition, Coast Line Truck Service, Inc., proposes to transport ice from the same plant of Union Ice Company to Santa Cruz, Santa Cruz Sheds and Davenport, and from the Union Ice Company's plant at Santa Cruz to Santa Cruz Sheds and Davenport. The ice intended to be transported is to be used generally in connection with the icing of rail shipments of fresh vegetables moving to various eastern destinations.

In support of the applications it was contended that the transportation involved would be unusually economical to perform in that loading would be performed by the shipper, little delay would be encountered in the loading and unloading operations, maximum loads would be obtained in every instance and an unusually high use factor would be experienced. It was stated that applicants have previously performed transportation similar to that herein proposed, at rates of the same volume as those they now seek authority to assess, and that such rates had proven compensatory.

Studies of the estimated cost of performing the transportation were also presented. The studies of applicants I. R. Gilbert and W. H. Gilbert embraced the period from January 1 to August 20, 1939, and were said to be predicated principally on actual book figures. Those of applicant Coast Line Truck Service, Inc., embraced the period from January 1 to June 30, 1939, and were also based on actual book figures, except that the estimated use factor was based on a period from August 20 to September 2, 1939, expanded to cover the period from January 1 to June 30, 1939. The tire and repair expenses used in each instance were those developed by a Commission engineer

for use in Case No. 4246, supra, in which the minimum rates were established.²

In further support of the applications, it was stated that Union Ice Company intended to perform this transportation in its own trucking equipment unless the sought rates were authorized, and that upon the effective date of the present minimum rates this shipper had in fact commenced proprietary operations as to a portion of this traffic.

No one protested the granting of the applications.

Although the cost studies contain certain infirmities, it does not appear that correction of them would substantially increase the final estimates. In any event, there is considerable room for upward adjustment of the estimated costs before the level of the sought rates is reached. Under these circumstances, and in view of

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The estimated costs so developed were as follows:

<u>Transportation Involved</u>	<u>Average Cost</u>	(1) <u>Sought Rate</u>	(2) <u>Established Minimum Rate</u>
		(In Cents per Ton)	
From Watsonville Junction to Salinas Sheds	*60 55	75	90
From Watsonville Junction to Santa Cruz	51	70	90
From Watsonville Junction to Davenport	92	95	100
From Watsonville Junction to Santa Cruz Sheds	60	75	90
From Santa Cruz to Davenport	42	45	80
From Santa Cruz to Santa Cruz Sheds	17	30	50

* Average cost developed by applicants I. R. and W. H. Gilbert. All other cost figures are those of applicant Coast Line Truck Service, Inc.

(1) Subject to minimum weight of 30,000 pounds.

(2) Subject to minimum weight of 36,000 pounds.

the showing that this traffic will otherwise be lost to proprietary operations, I am of the opinion and find that the sought rates will be reasonable and that the applications should be granted. Inasmuch as these conclusions are based upon present conditions, however, the authority should be limited to a one-year period.

The following form of order is recommended.

ORDER

A public hearing having been held in the above entitled applications, and based upon the evidence received at the hearing and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that applicants I. R. Gilbert and W. H. Gilbert, copartners, be, and they hereby are, authorized to transport ice under contract with Union Ice Company between Union Ice Company's plant at Watsonville Junction, on the one hand, and the Union Ice Company's Shed and Growers' Shed located adjacent to Salinas on the other hand, at rates less than the established minimum rates, but not less than 75 cents per ton of 2,000 pounds, subject to a minimum weight of 15 tons.

IT IS HEREBY FURTHER ORDERED that applicant Coast Line Truck Service, Inc., be, and it hereby is, authorized to transport ice under contract with Union Ice Company from and to the points hereinafter specified, at rates less than the established minimum rates but not less than the following:

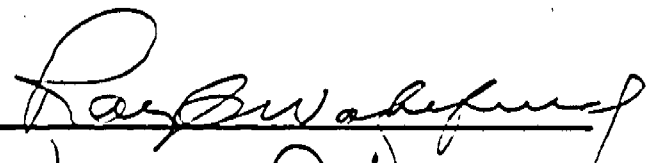
<u>Movement</u>	<u>Rates per Ton</u> <u>Min. Wt. 15 Tons</u>
From Union Ice Company's plant at Watsonville Junction to Union Ice Company's Shed and Growers' Shed located adjacent to Salinas	75 cents
From Union Ice Company's Shed and Growers' Shed located adjacent to Salinas to Union Ice Company's plant at Watsonville Junction	75 "
From Union Ice Company's plant at Watsonville Junction to Santa Cruz	70 "
From Union Ice Company's plant at Watsonville Junction to Santa Cruz Sheds	75 "
From Union Ice Company's plant at Watsonville Junction to Davenport	95 "
From Union Ice Company's plant at Santa Cruz to Davenport	45 "
From Union Ice Company's plant at Santa Cruz to Santa Cruz Sheds	30 "


The authority herein granted shall expire one (1) year from the date hereof unless sooner cancelled, changed or extended by appropriate order of the Commission.

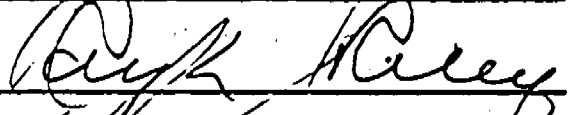
This order shall become effective on the date hereof.


The foregoing opinion and order are hereby adopted and ordered filed as the opinion and order of the Railroad Commission of the State of California.


Dated at San Francisco, California, this 19th day of September, 1939.











 Commissioners.