

Decision No. 51909**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 GARDEN CITY TRANSPORTATION CO., LTD.,)
 for authority to charge less for a) Application No. 36983
 longer than for a shorter haul over)
 the same line or route in the same)
 direction.)

J. Richard Townsend for applicant.
 Robert A. Lane for the Commission staff.

O P I N I O N

Applicant is a highway common carrier authorized to transport, among other things, canned goods and dried fruit in shipments of 20,000 pounds or more between certain points in Santa Clara County and San Francisco, Alameda and Oakland. Applicant presently has in effect a rate of 14½ cents per one hundred pounds for the transportation of canned goods and dried fruit in shipments of 36,000 pounds or more from San Jose, Campbell, Santa Clara, Sunnyvale and Mountain View to San Francisco, Oakland and Alameda. The rate is described as railhead to railhead and is not applicable to intermediate points. Applicant was authorized to depart from the long and short haul provisions of the Constitution and the Public Utilities Code in publishing the aforesaid rate by the Commission in Authorities No. 460-255 dated March 24, 1953 and No. 460-296 dated May 12, 1953.

Applicant desires to amend the rate by adding a provision reading as follows:

When a shipment transported under the rate named is palletized and is loaded or unloaded by power loading device, the weight of the pallets (lift truck pallets or platforms or lift truck skids), not exceeding 5 per cent of the weight of the articles loaded on the pallets, will not be used in determining the transportation charges.

The proposed rate is based on a rail rate and is below rates specifically named in Minimum Rate Tariff No. 2. It would be applicable only to and from points at railhead and would not be applicable to or from intermediate points along the routes applicant is authorized to serve. Rates higher than that proposed are applicable to intermediate points and to and from points not at railhead.

Public hearing was held before Examiner J. E. Thompson at San Francisco July 22, 1955.

Exhibits presented by applicant show that in all cases charges computed at the proposed rates on palletized shipments would exceed the aggregate charges computed under the provisions of rail tariffs for the same transportation. The following is a tabulation comparing the proposed rate on a shipment of canned goods or dried fruit weighing 36,000 pounds transported upon 18 pallets weighing 60 pounds each from San Jose to Oakland, San Francisco or Alameda, with the rail rates which applicant contends are the applicable minima:

	<u>Proposed by Applicant</u>	<u>(1) Rail</u>
Weight of Freight	36,000	36,000
Weights of Pallets	1,080	1,080
Weight upon which charges are based	36,000	37,080
Rates in cents CWT.	14.5	12.075
Charge	\$52.20	\$44.77

(1)

The rail rates on canned goods are contained in Items 3430 and 3750 of Pacific Southcoast Freight Bureau Tariff No. 300, Cal. P.U.C. No. 102 of J. P. Haynes, Agent. The rail rates on dried fruit are set forth in Items 460 and 670 of Pacific Southcoast Freight Bureau Tariff No. 286-A, Cal. P.U. C. No. 184 of J. P. Haynes, Agent.

Applicant's secretary-treasurer testified that while its shippers are willing to pay charges in excess of the applicable minima they are opposed to payment of charges on the weight of the pallets. He stated that if the authority sought is not granted that shippers may direct their traffic to applicant's competitors or may withdraw the use of pallets on shipments which would adversely affect applicant's operations.

The record clearly shows that charges resulting under applicant's proposal would not be less than is permissible under the applicable minimum rates, and that it will allow applicant to reasonably compete with other forms of transportation.

Upon consideration of all of the evidence of record, it is concluded that the authority sought by the applicant in this proceeding is justified. The application will be granted.

O R D E R

Based upon the evidence of record and on the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED:

1. That Garden City Transportation Co., Ltd., be and it is hereby authorized to publish and file in its tariff Cal. P.U.C. No. 1, on not less than five days' notice to the Commission and to the public a rate, non-intermediate in application, of 14½ cents per 100 pounds subject to a minimum weight of 36,000 pounds on shipments of canned goods and dried fruit as described in Item 223 of said tariff from points on railhead in San Jose, Campbell, Santa Clara, Sunnyvale and Mountain View to points on railhead at San Francisco, Oakland and Alameda with a provision that when a shipment transported under the rate named is palletized and is loaded or unloaded by power loading

device, the weight of the pallets (lift truck pallets or platforms or lift truck skids) not exceeding five per cent of the weight of the articles loaded on the pallets, will not be used in determining the transportation charges.

2. That the authority herein granted is limited strictly to its terms and is void unless the rates and rules or regulations authorized herein are published and filed within ninety days after the effective date of this order.

3. That the item of the tariff or supplement showing the change authorized herein shall bear a notation to the effect that the item is issued under authority of the Public Utilities Commission of the State of California by this decision.

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

Dated at San Francisco, California, this 30th day of 1 AUGUST, 1955.

John E. Mitchell
President

Justin J. Cannon

Walter J. Kelly

R. Hardy

Commissioners

Commissioner Ray E. Untereiner, being necessarily absent, did not participate in the disposition of this proceeding.