

Decision No. 56289

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 general commodities) (commodities for which rates are) provided in Minimum Rate Tariff No. 2).)

Case No. 5432 Petition for Modification No. 99

<u>T. W. Curley</u>, for Royal Packing Company, Division of Swift & Company, petitioner. <u>J. C. Kaspar</u>, A. D. Poe and J. X. Quintrall, for California Trucking Associations, Inc., interested party.

$\underline{O P I N I O N}$

Minimum Rate Tariff No. 2 names rates for the transportation of general commodities between all points in California except for local transportation within incorporated cities, within described areas adjacent to certain cities, and between said cities and the adjacent areas. One of these areas includes the cities of Sacramento, North Sacramento and West Sacramento and designated industrial plants adjacent to these cities. By this petition, filed November 1, 1957, Royal Packing Company, a division of Swift & Company, seeks to have its slaughtering plant located at Broderick included in the Sacramento area exempted from the minimum rates.

Public hearing was held before Examiner William E. Turpen on December 23, 1957, at San Francisco.

The petition states that the slaughtering plant is located approximately 4,000 feet from the Sacramento city limits and a like

-1-

AH

C. 5432 (Pet. No. 99) AH

distance from the West Sacramento city limits and lies between these two cities. The petition alleges that the plant is commercially a part of Sacramento and in that respect does not differ from the other industrial plants now included in the Sacramento exempted area.¹

A witness for petitioner testified that his company has to make special deliveries of meat to customers in Sacramento and that having to pay rates named in Minimum Rate Tariff No. 2 for such transportation puts his company in a disadvantageous position compared with competing meat suppliers located within the exempted area. He further said that transportation from his company's plant has the characteristics of local drayage rather than over-the-road traffic, and thus is the same as local transportation within Sacramento. The witness also said that his plant is closer to the Sacramento city limits than some of the industrial plants now included in the exempted area.

The California Trucking Associations, Inc., opposed the granting of the petition. Its position is that enlargement of the present exempt area at one location will lead to similar requests at other points in the State, leading to a gradual breakdown of the minimum rate structure.

It must be recognized that as communities grow their commercial areas expand and due recognition must be given to such growth. It appears that transportation from and to petitioner's plant is similar to that from and to the plants now included in the Sacramento exempted area and that characteristics of the traffic are the same

-2-

¹ The area and plants involved are described in paragraph (e) of Item No. 30 Series of Minimum Rate Tariff No. 2.

C. 5432 (Pet. No. 99) AH

whether handled within the city or between petitioner's or the named plants and the city. The Commission is of the opinion, and so finds, that all of such transportation should be accorded like treatment. The petition will be granted and Minimum Rate Tariff No. 2 will be amended accordingly.

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

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

IT IS ORDERED that Minimum Rate Tariff No. 2 (Appendix "D" to Decision No. 31606 as amended) be and it is hereby further amended by incorporating therein, to become effective March 30, 1958. Seventeenth Revised Page 13, which page is attached hereto and by this reference made a part hereof.

In all other respects said Decision No. 31606, as amended, shall remain in full force and effect.

This order shall become effective twenty days after the date hereof.

, California, this $_25^{-H}$ San Francisco Dated at day of _____FEBRUARY 1953. fesident ommissioners

-3-

Seventeenth Revised Page .. 13 Cancels Sixteenth Revised Page .. 13 MINIMUM RATE TARIFF NO. 2

(Continued in Item No. 31)

*Change) #Addition) ¢Reduction)

Decision No. 56289

EFFECTIVE MARCH 30, 1958.

Issued by the Public Utilities Commission of the State of California, San Francisco, California.

Correction No. 805

-13-