

ORIGINAL

Decision No. 58199

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of UNION ICE & STORAGE COMPANY)	
for an Increase in the Precooling)	Application No. 40927
Warehouse Rates for Cherries,)	
Peaches and Nectarines at Stockton,)	
California.)	

OPINION AND ORDER

Applicant is a corporation engaged, among other things, in public utility warehouse operations at various localities in California, including Stockton. By this application it seeks authority, under Section 454 of the Public Utilities Code, to increase and revise certain rates applicable at its Stockton warehouse for the precooling and shipping of cherries, peaches and nectarines.¹ Applicant also requests that publication of the increased rates be permitted on less than statutory notice in order that the rates may be effective by May 1, 1959, when the cherry season is expected to start. No increase is sought in the charges for other warehouse services.

According to the verified application, the service of precooling and shipping cherries, peaches and nectarines is a highly specialized one. The shipping season for these commodities is of short duration. During a normal season applicant receives, precools and ships approximately 125 cars of cherries, 10 cars of nectarines and 5 cars of peaches. The application alleges that virtually all of the cherries are received at the warehouse after five o'clock in the afternoon, by premium pay employees. It further alleges that the loading of cherries into rail cars is a difficult operation involving the stripping, center bracing and the building of cribs for dry ice.

¹ The proposed rates are set forth in Appendix "A" of the application.

The application points out that the current tariff rates applicable on these commodities are on a package basis, with various supplemental hourly rates for clerical services, for movements within the warehouse, and for carloading work. The application states that one of the prime purposes of the present application is to simplify the determination and application of the tariff by incorporating the several supplemental hourly charges into the package basis.

Shown below is applicant's statement of revenues and expenses for the services herein involved and for the entire Stockton warehouse operation, under the current and proposed rates:

Operating Results For Year Ending
December 31, 1958

Precooling of Cherries, Peaches and Nectarines

	<u>Under</u> <u>Current Rates</u>	<u>Under</u> <u>Proposed Rates</u>
Revenues	\$15,274.00	\$19,387.00
Expenses	<u>\$16,187.00</u>	<u>\$17,525.00</u>
Net Income after Income Taxes	(\$ 913.00)	\$ 1,862.00

Overall Stockton Operation

Revenues	\$395,823.00	\$399,936.00
Expenses	<u>\$371,344.00</u>	<u>\$373,562.00</u>
Net Income after Income Taxes	\$ 24,479.00	\$ 26,374.00

(denotes loss)

The application shows that all of the storers of the commodities involved have been notified of the proposed increases. No objection to its being granted has been received.

Upon consideration of all of the facts and circumstances, the Commission is of the opinion and finds that the proposed increased and revised rates involved in this application are justified. The application will be granted. A public hearing is not necessary. Applicant will be authorized to publish the increased rates on five days' notice.

Therefore, good cause appearing,

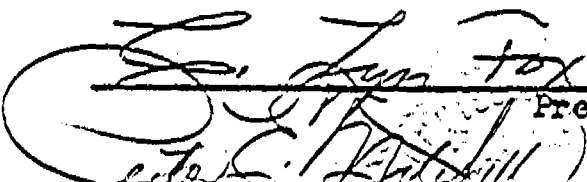
IT IS ORDERED:


(1) That applicant is hereby authorized to establish, on not less than five days' notice to the Commission and to the public the increased rates proposed in the above entitled application.

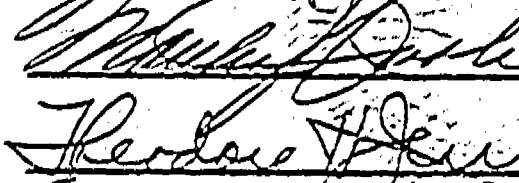
(2) That the authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

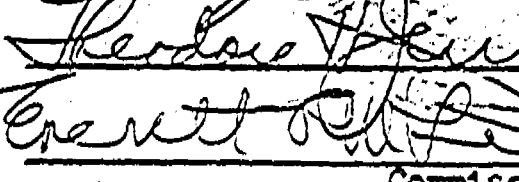
This order shall become effective twenty days after the date hereof.

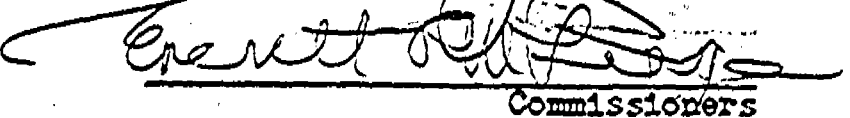
Dated at San Francisco, California, this 31st day of March, 1959.



President








Commissioners