

Decision No. 59295**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into
 the rates, rules and regulations, charges,
 allowances and practices of all common
 carriers, highway carriers and city
 carriers relating to the transportation of
 any and all commodities between and within
 all points and places in the State of
 California (including, but not limited to,
 transportation for which rates are pro-
 vided in Minimum Rate Tariff No. 2).

Case No. 5432
 (Order Setting Hearing
 dated Sept. 15, 1958)

F. S. Kohles, for Valley Express Co., and Valley
 Motor Lines, Inc., Petitioner.
J. C. Kaspar, A. D. Poe and J. X. Quintrall, for
 California Trucking Associations, Inc.; Ralph
Hubbard, for California Farm Bureau Federation;
 Interested Parties.
A. R. Day and John F. Specht, for the Commission
 staff.

OPINION ON REHEARING

By Decision No. 58413, dated May 12, 1959, in this proceeding, Minimum Rate Tariff No. 2 was revised in respect to rates for the transportation of beer and certain other beverages as described in Item No. 600 series of the tariff. Prior to the adjustments becoming effective, Valley Express Co. and Valley Motor Lines, Inc., petitioned for rehearing and reconsideration of the rate adjustments to the extent that they would be applicable on fruit juice transported from Fresno to the San Francisco Territory and to Sacramento. The petition alleged that shippers of fruit juices in the Fresno area were unaware of the proceedings which led to Decision No. 58413; that the movement of fruit juice from Fresno is substantial; and that the increase in rates resulting from Decision No. 58413 is excessive and would result in an undue burden on the shippers.

Decision No. 58649, dated June 23, 1959, ordered that a further hearing be held to afford petitioners and other interested parties an opportunity to offer additional evidence relating to the transportation in question. In the meantime, the commodity rates then provided in Item No. 600 for the transportation of fruit juice were continued in effect.

Rehearing was held before Examiner William E. Turpen at Fresno on September 25, 1959. Evidence was presented on behalf of petitioners by the research director of the California Trucking Associations, Inc. Representatives of the Commission's staff assisted in developing the record.

Item No. 600 of Minimum Rate Tariff No. 2 formerly provided commodity rates for the transportation of malt beverages; beverages, carbonated or not carbonated; extracts; fruit juices; ginger ale; soda; syrups; and water. In Decision No. 58413, supra, it was stated that the staff rate witness proposed cancellation of the commodity rates named in Item No. 600 and establishment of exception ratings on malt beverages only. He testified that the other commodities either do not move by for-hire carriers or are adequately provided for elsewhere in the tariff. These recommendations were adopted in Decision No. 58413.

At the rehearing, the research director of the California Trucking Associations testified that he had made an investigation of the transportation here involved. He said that a substantial movement by for-hire truck of fruit juices from Fresno to the San Francisco Bay Area and to Sacramento exists. The witness said that his research disclosed that when Item No. 600 was first established, over twenty years ago, it was then the practice to transport the other commodities named in the item along with shipments of beer.

This, he said, is no longer the practice. He agreed that the transportation characteristics of fruit juices are not the same as those of beer, but are the same as those of canned goods with respect to density, packing, handling and value. However, he said, cancellation of the 24.2-cent rate now named in Item No. 600 would result in increases that are unwarranted.^{1/} The research director proposed, as an interim adjustment, that rates equivalent to Class C rates, subject to a minimum weight of 45,000 pounds, be established.^{2/} He stated that this rate is the same as that being proposed in another phase of Case No. 5432 in which adjustment of the canned goods rates are at issue. The witness suggested that the interim adjustment he proposed here remain in effect only until the canned goods phase is finally decided, and accordingly suggested that it expire after one year. He further stated that the shippers and carriers involved concur in his proposal.

A comparison of the proposed rates with those set forth in Item No. 620 shows that, in consideration of the higher minimum weight, the proposal appears reasonable as an interim adjustment. In the circumstances, it appears, and we find, that the minimum rates herein proposed for the transportation of fruit juices are reasonable as interim rates, and that the increases resulting therefrom are justified. The rates will be published to expire December 31, 1960.

1/ Upon cancellation of Item No. 600, rates in Item No. 620 would apply. These rates in cents per 100 pounds, are as follows:

Fresno to	Minimum Weight in pounds	
	<u>20,000</u>	<u>30,000</u>
San Francisco	46.2	40.7
Sacramento	42.9	36.85

2/ This would result in rates (in cents per 100 pounds) of 39 cents to San Francisco Territory and 35 cents to Sacramento.

Item No. 600-H also provides an additional charge for other than tailgate loading and unloading of $3\frac{1}{2}$ cents per 100 pounds, subject to a ten percent surcharge. Similar accessorial charges for such services, applying in connection with certain other items of the tariff, have been cancelled. (Decision No. 56461, dated April 1, 1958, in Case No. 5432.) The justification for eliminating the accessorial charges from the other tariff items applies equally in connection with the elimination of such charges from Item No. 600-H. These accessorial charges, therefore, will be cancelled.

ORDER ON REHEARING

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

IT IS ORDERED:

(1) That Minimum Rate Tariff No. 2 (Appendix "D" of Decision No. 31606 as amended) be and it is hereby further amended by incorporating therein, to become effective December 31, 1959, Ninth Revised Page 46, attached hereto and by this reference made a part hereof.

(2) That tariff publications required to be made by common carriers as a result of the order herein may be made effective not earlier than the effective date hereof on not less than five days' notice to the Commission and to the public, and that such tariff publications shall be made effective not later than December 31, 1959.

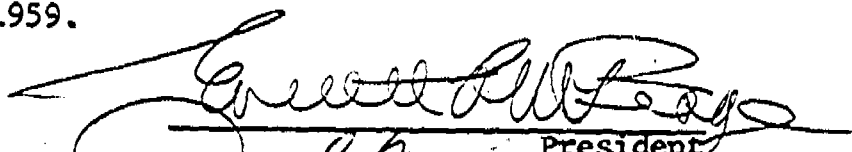
(3) That common carriers, in establishing and maintaining the rates and charges authorized or directed hereinabove, be and they are authorized to depart from the provisions of Article XII, Section 21, of the Constitution of the State of California, and Section 460 of the Public Utilities Code, to the extent necessary to adjust long-


and-short-haul departures now maintained under outstanding authorizations; that such outstanding authorizations be and they are modified only to the extent necessary to comply with this order; and that common carriers in publishing rates under the authority conferred in this ordering paragraph shall make reference in their schedules to the prior orders authorizing the long-and-short-haul departures and to this order.

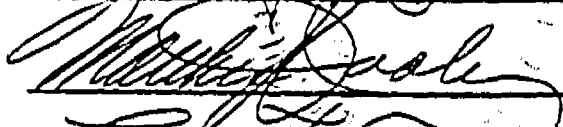
(4) That in all other respects said Decision No. 31606, as amended, shall remain in full force and effect.

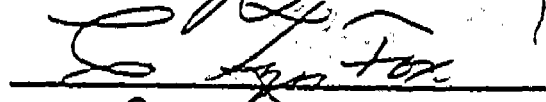
This order shall become effective twenty days after the date hereof.

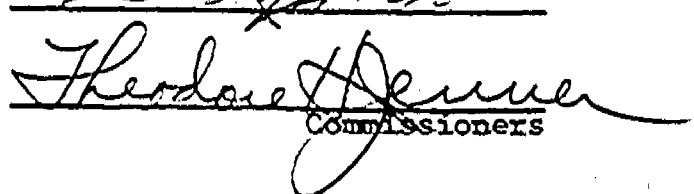
Dated at San Francisco, California, this 24th day of November, 1959.



President








Commissioners

RATES ON THIS PAGE ARE NOT SUBJECT TO PROVISIONS OF SUPPLEMENT NO. 43

Ninth Revised Page 46

 Cancels

Eighth Revised Page 46

MINIMUM RATE TARIFF NO. 2

Item No.	SECTION NO. 3		COMMODITY RATES In Cents per 100 Pounds	
(E) *600-I Cancels 600-H	COMMODITY	FROM	TO	(1) RATES
	BEVERAGES AND TONICS, viz.: Fruit Juice, artificial or natural, sweetened or unsweetened, other than cold pack or frozen. Minimum Weight 45,000 Pounds	FRESNO	SACRAMENTO (See Item No. 260-7)	435
			SAN FRANCISCO TERRITORY as described in Item No. 270-3	439
	*(1) Subject to Items Nos. 900 and 900-1. 6(2) ***			
(E) Expires with December 31, 1960. * Change ^ Increase 6 Reduction *** Eliminated				
Decision No. 59295				
EFFECTIVE DECEMBER 31, 1959				
Issued by the Public Utilities Commission of the State of California San Francisco, California.				
Correction No. 972				