

ORIGINAL

Decision No. 68593

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
KARLSON BROS. TRUCKING SERVICE, a)
corporation, for authority under)
Section 3666 of the Public Utilities)
Code to assess and collect transpor-)
tation charges based on units of)
measurement and rates different from)
and in some instances lower than the)
minimum rates heretofore established)
by the Commission.)

Application No. 47251
(Filed January 13, 1965)

OPINION AND ORDER

Karlson Bros. Trucking Service, a corporation, holds radial highway common carrier, highway contract carrier and city carrier permits and a certificate of public convenience and necessity to operate as a highway common carrier.¹ By Decision No. 66629 dated January 14, 1964, in Application No. 46030, applicant's corporate affiliate, Karlson Bros. Transportation System, was authorized as a highway contract carrier to deviate from the minimum rates by charging specified rates in cents per crate for the transportation of tomato plants for I.K.I. Farms from Mecca to points in central California and empty crates returning from such destination points to Mecca.² The authority was granted only for the 1964 tomato plant season.

By this application, Karlson Bros. Trucking Service seeks to assess the same rates during the 1965 tomato plant season as were assessed by its corporate affiliate for the same service during the

¹The certificate of public convenience and necessity does not govern service between points herein involved.

²The destination points include all points in the Counties of San Luis Obispo, Monterey, Santa Cruz, San Benito, Santa Clara, San Mateo, Alameda, Contra Costa, San Joaquin, Yolo, Sacramento, Sutter, Yuba, Butte, Stanislaus and Merced; and points in the Santa Maria Valley in Santa Barbara County.

1964 season pursuant to Decision No. 66629, supra.³ According to the application, the season may commence as early as February 15 and extend as late as June 30 depending on weather and other factors.

Applicant states that I.K.I. Farms produces and distributes in excess of 100,000 crates of tomato plants each season which move within a period of approximately eight weeks. It is further stated that the shipper desires to continue using for-hire carriage under a contract negotiated with applicant and, for accounting and sales reasons, the shipper wishes to pay transportation charges for the tomato plant season based on a system of flat rates per crate rather than upon a system of varying rates in cents per 100 pounds.

Applicant avers that it has the equipment, facilities and personnel with which to perform the service inasmuch as its equipment, facilities and personnel are not otherwise utilized beyond fifty percent of capacity during the tomato plant season. It is alleged that the proposed rates for the entire movement will produce substantially more revenue for applicant than would otherwise accrue under varying rates stated in cents per 100 pounds at the level of the applicable minimum rates and that the proposed rates will be reasonable for the service rendered. Applicant asserts that the shipper is in a position to perform its own transportation if necessary.

Data furnished by applicant indicate that the transportation involved has been profitable and reasonably may be expected to be profitable for the 1965 season.

The certificate of service shows that copies of the application were mailed to the shipper and California Trucking Association on January 13, 1965. No objection to the granting of the application has been received.

³According to applicant, it is planned to liquidate and terminate the affairs and business of Karlson Bros. Transportation System, its corporate affiliate, during the year 1965.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable. A public hearing is not necessary. The application should be granted.

In view of the impending commencement date of the new tomato plant season, the order which follows will be made effective February 15, 1965.

IT IS ORDERED that:

1. Karlson Bros. Trucking Service, a corporation, is authorized to transport tomato plants, in crates, with a declared valuation of \$5.00 per 100 pounds, and empty crates returning, for I.K.I. Farms, at rates different from the minimum rates but not less than the rates set forth in Appendix A attached hereto and by this reference made a part hereof.

2. The authority herein granted shall expire with July 30, 1965.

The effective date of this order shall be February 15, 1965.

Dated at San Francisco, California, this 9th day of February, 1965.

Frederick B. Holbrook
President

George T. Crow

William W. Bevin

Commissioners

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

APPENDIX A TO DECISION NO. 68593

KARLSON BROS. TRUCKING SERVICE

Schedule of Minimum Rates
for the Transportation of
Tomato Plants for I.K.I. Farms

Item 10. Application of Rates - Commodity

Rates shall apply to the transportation of tomato plants, in lettuce crates or in cantaloupe crates, with a declared valuation of \$5.00 per 100 pounds; and to empty cantaloupe crates and lettuce crates returning, or for return loaded movement of tomato plants.

Item 20. Application of Rates - Territory

Rates shall apply to the transportation of tomato plants as described in Item 10 from Mecca to points in central California (See Note 1) and to the transportation of empty crates as described in Item 10 from points in central California (See Note 1) to Mecca.

Note 1. Points in central California include all points in the Counties of San Luis Obispo, Monterey, Santa Cruz, San Benito, Santa Clara, San Mateo, Alameda, Contra Costa, San Joaquin, Yolo, Sacramento, Sutter, Yuba, Butte, Stanislaus, and Merced; and points in the Santa Maria Valley in Santa Barbara County.

Item 30. Application of Rates - General

Rates include the service of transportation, including split delivery service.

Item 40. Rates on Tomato Plants as described in Item 10

From: Mecca
To: Points in central California (See Item 20)

Rates in Cents Per Crate

Tomato Plants:	
Per Cantaloupe Crate	58½
Per Lettuce Crate	74

(1) Subject to minimum quantity of 20,000 pounds calculated at 40 pounds per cantaloupe crate and 70 pounds per lettuce crate. Exception: On not to exceed ten shipments per season shipments may be less than 20,000 pounds but shall be subject to a minimum charge per shipment of \$150.00.

Item 50. Rates on Empty Crates

From: Points in central California (See Item 20)
To: Mecca

Rates in Cents Per Crate

Empty crates returning
from an outbound paying
load or shipped for a
return paying load.

10

Item 60. Payments of Charges

Charges on all shipments transported under rates
in Items 40 and 50 shall be paid by I.K.I. Farms.

(End of Appendix A)