

ORIGINALDecision No. 68653

BEFORE THE PUBLIC UTILITIES DIVISION 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 fresh or
 green fruits and vegetables and
 related items (commodities for
 which rates are provided in
 Minimum Rate Tariff No. 8).

Case No. 5438
 (Petition for Modification
 No. 30)

SUPPLEMENTAL OPINION

Minimum Rate Tariff No. 8 names rates for the transportation of fresh fruits and vegetables. Item No. 40 of the tariff provides that the minimum rates will not apply to shipments transported from the point of growth to packing sheds or cold storage plants. Except for citrus fruits, carrots, avocados, nuts and potatoes, this exemption applies only when the distance from point of origin to destination does not exceed 50 constructive miles. Formerly the 50-mile limitation applied also to the transportation of potatoes; however, by Decision No. 66615, dated January 14, 1964,^{1/} the 50-mile limitation with respect to that commodity was extended to 75 miles. The 75-mile limitation is scheduled to expire March 1, 1965.

^{1/} In Petitions for Modification Nos. 39 and 40 in Case No. 5438.

On January 13, 1965, at a series of hearings in Petition for Modification No. 30 in Case No. 5438,^{2/} a senior transportation rate expert from the Commission's staff recommended that the aforesaid expiration date be cancelled and that the 75-mile limitation on exempt movements of potatoes be made permanent. The record shows that the broad 50-mile exemption was initially established because the circumstances surrounding the transportation of produce from fields to packing sheds were different from other movements, that the costs utilized in the development of the minimum rates in question did not include the costs of said movements to packing sheds and that the minimum rates were not designed for such movements. The record further shows that the above-stated facts, which were true for most perishables up to a distance not exceeding 50 miles were also applicable to movements of potatoes from field to shed for hauls exceeding 50 miles but not exceeding 75 miles. It was on the basis of this latter circumstance that the aforesaid extension of the exemption on potatoes to 75 miles was prescribed by Decision No. 66615, above.

The 75-mile limitation was made subject to expiration date pending completion of the staff studies in Petition for Modification No. 30. The studies have been completed and the aforesaid witness testified that conditions which prompted the extension of the 50-mile limitation to 75 miles on potatoes remain unchanged. In the light of this fact he recommended that the expiration date

^{2/} Petition for Modification No. 30, filed by California Trucking Association, involves a general review of the rates, charges and other provisions of Minimum Rate Tariff No. 8. The petition was taken under submission on January 14, 1965. Disposition of some phases of the matter has been made in prior decisions. Apart from the matter herein, disposition of the remaining subjects will be made in a separate decision now in preparation.

in question be cancelled and that the tariff provision here under consideration be retained on a permanent basis. The witness indicated also that the 50-mile limitation continues to be proper for those commodities to which it presently applies.

We find that the aforesaid expiration date of March 1, 1965, should be cancelled and that the 75-mile limitation on the exemption of potato movements as set forth in paragraph (b) of Note 3 in Item No. 41 of Minimum Rate Tariff No. 8 should be continued in effect without expiration date.

We conclude that Minimum Rate Tariff No. 8 should be amended as provided in the order which follows. Because of the shortness of time the effective date of the order will be the date hereof.

O R D E R

IT IS ORDERED that:

1. Minimum Rate Tariff No. 8 (Appendix "C" to Decision No. 33977, as amended) is further amended by incorporating therein, to become effective March 1, 1965, Twenty-sixth Revised Page 8, which revised page is attached hereto and by this reference made a part hereof.

2. Tariff publications authorized to be made by common carriers as a result of the order herein may be made effective not earlier than March 1, 1965 and may be made effective on not less than two days notice to the Commission and the public if filed not later than sixty days after the effective date of the minimum tariff page incorporated in this order.

3. In all other respects the aforesaid Decision No. 33977, as amended, shall remain in full force and effect.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 24th day of FEBRUARY, 1965.

Fredrick B. Hollcroft
President

John S. Mitchell

George G. Hoover

Alvin

William B. Bennett
Commissioners

Item No.	SECTION NO. 1 - RULES AND REGULATIONS OF GENERAL APPLICATION (Continued)
	<p style="text-align: center;">APPLICATION OF TARIFF - COMMODITIES (Concluded) (Items Nos. 40 and 41)</p> <p>NOTE 2.--For the purpose of these items, the following definitions will apply:</p> <p>(a) Packing Shed or Packing Plant:--Facilities maintained for assembling, sorting, grading, shelling, hulling, or packing the commodity for shipment.</p> <p>(b) Precooling Plant:--Facilities maintained for the purpose of precooling commodities for shipment under refrigeration.</p> <p>(c) Cold Storage Plant:--Facilities maintained for the storage of commodities under refrigeration.</p> <p>(d) Cannery:--Facilities maintained for the processing of commodities at which the commodities are canned, preserved, dried, frozen, pickled, brined, or otherwise processed into manufactured products.</p> <p>(e) Winery:--Facilities maintained for the purpose of producing vinous liquors, including wine, champagne and brandy.</p> <p>(f) Accumulation Station:--Yards or open areas maintained for the receiving of unprocessed commodities from the field, and accumulation and consolidation of such commodities for shipment to a cannery, winery, cold storage plant or precooling plant.</p> <p>(g) Field Shelled:--Rough shelled, with or without removal of broken shells, dirt, residue, or foreign material, and not cleaned nor further processed.</p> <p>(h) In Their Natural Form:--Means in the original form at the time of harvest, not further processed for human consumption than topping, trimming, washing, coloring, fumigating, or such processing as does not alter the natural shape or form of the commodity.</p> <p>NOTE 3.--</p> <p>(a) Except as otherwise provided in subparagraph (b) hereof and except for the transportation of citrus fruits in field boxes or in bulk, carrots, avocados, or nuts (in the shell or field shelled), exemption does not apply when the distance between the point of origin and point of destination exceeds 50 constructive miles computed in accordance with the provisions of Item No. 110.</p> <p>*** (b) Exemption does not apply to the transportation of potatoes when the distance between the point of origin and point of destination exceeds 75 constructive miles computed in accordance with the provisions of Item No. 110.</p> <p>NOTE 4.-- Exemption applies only when shipper certifies on the shipping document covering the transportation that the ultimate destination of the shipment is a cannery.</p>

NOTE 5.--Exemption applies for the transportation of nuts (in the shell or field shelled) even though shipment is stopped in transit at an accumulation station when moving from the field or point of growth to a packing plant or shed.

∅ Change)
∅ Reduction) Decision No. 68653
** Expiration date)
eliminated)

EFFECTIVE MARCH 1, 1965

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

Correction No. 403