

ORIGINALDecision No. 69851

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of WALTER F. PETERS, an individual,
doing business as PETERS TRUCK LINES,
for authority to depart from minimum
rates, rules and regulations appli-
cable in connection with certain
transportation.

Application No. 47969
(Filed October 13, 1965)

O P I N I O N

Applicant, a radial highway common carrier, seeks authority to charge and assess rates less than the established minimum rates for the transportation of potatoes from Macdoel and points within 15 miles of Macdoel to Sacramento, Santa Rosa, Monterey, Stockton, Modesto and points within the San Francisco Bay area.

The application states that applicant has transported potatoes for the shippers named in the application for many years. These shippers have advised applicant that the minimum rates established for the transportation here in question are too high in comparison with interstate rates available from competitive growing areas near Macdoel, but located in Oregon. The application alleges that the interstate movement of potatoes is not subject to regulation and that rates are negotiated between shippers and carriers; and that the shippers for whom the transportation is to be performed have stated that unless rates competitive with those applicable to interstate movements are made available from Macdoel, the shippers will discontinue purchasing potatoes in the Macdoel area for movement to California points.

The application recites that applicant has investigated the rate situation from Oregon to California and has determined that the rates available from Oregon to California are lower than those established as minimum and are also lower than the rates applicant seeks to charge. The application states that the shippers have advised applicant that if he procures the authority sought herein they will continue to make their purchases in California and will ship their potatoes from the Macdoel growing area via applicant.

The application avers that applicant has made a preliminary cost study and is convinced that the rates proposed in the application will be reasonable and that the existing minimum rates, all facts considered, are too high; applicant presently has in the course of preparation a cost study which will be completed shortly and which he will file in this proceeding immediately upon completion; during the past several potato seasons applicant has transported potatoes for the named shippers from the area within 15 miles of Macdoel to the destinations indicated in Exhibit 1 to the application and this transportation has produced an annual gross revenue to him in excess of \$100,000; and the loss of this revenue would adversely and seriously affect applicant's earnings and his operating ratio.

The application states that the potato shipping season is already under way and potatoes will continue to be shipped for a limited time, so the need for the relief here requested is immediate and urgent. Applicant requests that immediate ex parte action be taken on this application to grant the relief here requested pending the filing of a formal cost study and the submission of evidence on any hearing deemed necessary. Assertedly, unless this is done, applicant will lose this traffic and the potatoes will move from Oregon with the resultant serious loss of revenue to applicant.

The Commission's Transportation Division recommends that the relief sought be immediately granted on an interim basis, pending decision on evidence to be adduced at a public hearing.

Upon consideration of the facts and special circumstances alleged herein, the Commission concludes that the proposed rates should be authorized until April 1, 1966, pending evidence to be adduced at a public hearing. The Commission finds that the proposed rates will be reasonable pending such consideration and disposition.

ORDER

IT IS ORDERED that:

1. Walter F. Peters is authorized to transport potatoes, in sacks, boxes or bins, from Macdoel and points within a radius of 15 airline miles of Macdoel for the companies named and to the points named in Appendix A, attached hereto and by this reference made a part hereof, at the rates and subject to the conditions also set forth in said Appendix A.

2. The authority granted herein shall be subject to cancellation or revision by the Commission upon consideration of evidence to be adduced at a public hearing to be scheduled; and shall, in any event, expire with April 1, 1966, unless otherwise ordered by the Commission.

This order shall be effective on the date hereof.

Dated at San Francisco, California, this 26th day of OCTOBER, 1965.

Fredrick B. Holdhoff
President
George E. Thover
Alvada
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A
APPLICATION OF RATES

Carrier: Walter F. Peters

SHIPPERS FOR WHOSE ACCOUNT SERVICE IS TO BE PROVIDED:

Butte Valley Farms, Inc.	Bob Cheyne
McDoel Potato Co.	Wesley McKegg
Geo. Yost	Safeway Stores, Inc.
Carl Colson Farms	Klamath Potato Distributors, Inc.
Nick Dellis Co., Inc.	Sunnystate Produce

1. Commodity:

Potatoes, fresh, in sacks, boxes or bins.

2. Rates:

	<u>Rates In Cents</u> <u>Per 100 Pounds</u>
<u>FROM:</u>	<u>Minimum Weight</u> <u>42,000 Pounds</u>
Macdoel and points and places within a radius of 15 airline miles of Macdoel.	

TO:

Sacramento	45
Fairfield, Suisin,) Travis Air Base)	48
Richmond, Berkeley,) Emeryville, Oakland,) San Leandro, San) Lorenzo, Hayward)	50
San Francisco,) South San Francisco)	52
Santa Rosa	50
Monterey, Fort Ord	55
Stockton	48
Modesto	50

3. In all other respects the provisions of Minimum Rate Tariff No. 8 are applicable.