

ORIGINAL

Decision No. 77030

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of WALLACE TRANSPORT, for authority
to depart from the rates, rules and
regulations of Minimum Rate Tariff
No. 2 under the provisions of
Section 3666 of the Public Utilities
Code, for Fresno Consumers Ice
Company.

Application No. 51740
(Filed March 2, 1970)

O P I N I O N

Wallace Transport, a corporation operating as a highway permit carrier, seeks authority under Section 3666 of the Public Utilities Code to depart from the minimum rates in Minimum Rate Tariff No. 2 for the transportation of ice in shipments of 42,000 pounds for Fresno Consumers Ice Co., from Stockton and Fresno to a field station of Del Monte Corporation (Del Monte) known as Fancher Ranch, located six miles east of Merced.

The application alleges as follows: For approximately two months each year, usually commencing on or about July 10, Del Monte collects fruit at its Fancher Ranch field station, hydro-cools said fruit, and ships it to a cannery or packing plant. Fresno Consumers Ice Co. has been selling ice to Del Monte on a prepaid basis since 1959. Ferro Trucking Inc. (Ferro) has transported the ice from 1959 through the 1969 fruit season. Ferro has since ceased operations. Ferro initially was authorized to apply rates lower than the established minimum rates on this traffic in 1962.^{1/} Such authority has been extended each year. The most recent authority was that provided in Decision No. 75474, dated

^{1/} The deviation authority was initially granted by Decision No. 63920 in Application No. 44335.

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March 25, 1969. Said authority expires April 1, 1970. Applicant seeks to apply for the 1970 season the same rates authorized to Ferro by Decision No. 75474.

Appendix B to the application herein contains a comparison of Ferro's operations with those of applicant for the purpose of showing that the type of operations conducted by both carriers, and their labor, equipment, and other operating expenses, are substantially similar. Exhibit 1 to the application contains a comparison of 1966, 1967 and 1968 results of operations for Ferro and for applicant. Exhibit 1 also develops an estimate of the operating costs and revenues that applicant will incur in performing the proposed transportation service. Said exhibit indicates that the service under the proposed rates will be profitable.

Applicant requests that the authority be granted by ex parte order. A copy of the application was served upon California Trucking Association (CTA) on February 27, 1970. The application was listed on the Commission's Daily Calendar of March 3, 1970. By letter dated March 4, 1970 (Exhibit 2) CTA advised that the proposed relief had been considered by that organization and that it has no objection to the ex parte relief requested. By letter dated February 26, 1970 (Exhibit 3), the Division Shipping Manager of Del Monte advised that said company supports the granting of the relief sought. Exhibit 3 states that the annual tonnage of ice ranges between 6,000 and 7,000 tons, and that the movement commences about July 15 each year and continues through approximately September 17. Exhibit 3 indicates that if the sought authority is not granted Del Monte would consider whether to purchase mechanical refrigeration equipment to replace the use of ice at its Fancher Ranch station.

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

O R D E R

IT IS ORDERED that:

1. Wallace Transport, a corporation, is hereby authorized to transport shipments of ice for Fresno Consumers Ice Company, from Stockton and Fresno to the field station of Del Monte Corporation at Fancher Ranch, located on Yosemite Highway approximately six miles easterly of Merced, at rates less than the minimum rates otherwise applicable but no lower than the following:

Commodity: Ice.

Minimum Weight
42,000 pounds
per shipment

Rates (in cents per
100 pounds)

From Stockton
From Fresno

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2. The authority granted herein shall expire April 1, 1971.

This order shall become effective April 1, 1970.

Dated at San Francisco, California, this 31st
day of MARCH, 1970.

William Sproull
President

[Signature]
[Signature]
[Signature]

Vernon L. Stearns
Commissioners