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Decision No. 78052

ORIGINAL

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 continue to assess and collect  
transportation charges based on units  
of measurement and rates different from  
and in some instances lower than the  
minimum rates heretofore established  
by the Public Utilities Commission.

)  
Application No. 51984  
(Filed June 22, 1970;  
Amended October 9, 1970)

Frank Loughran, Attorney at Law, for applicant.  
J. C. Kaspar, H. F. Kollmyer and A. D. Poe,  
for California Trucking Association,  
interested party.  
B. I. Shoda, for the Commission staff.

O P I N I O N

Applicant requests authority, as a highway contract carrier, to transport tomato plants and empty carriers returning for I.K.I. Farms between Mecca and points in central California, at flat rates per crate. The transportation will be performed during the 1971 tomato plant season, which extends over approximately an eight-week period between February 15 and June 30.

Applicant previously has been authorized to deviate from the rates in Minimum Rate Tariff No. 2 for transportation of tomato plants for I.K.I. Farms. The latest such authority covered the 1970 tomato plant season (Decision No. 76716, dated January 27, 1970). By this application, authority is sought for the 1971 season to assess and collect rates on the same units of measurement, but increasing the rate from 80 to 85 cents per crate, and increasing the minimum charge from \$150 to \$160 per shipment. Applicant also proposes to eliminate Alameda County as a destination area.

Public hearing on the application was held at San Francisco on October 20, 1970, before Examiner Turpen. Applicant's accountant testified in support of the application. Representatives of the California Trucking Association and of the Commission's staff assisted in developing the record by cross-examining the witness.

The application states that, for accounting and sales reasons, I.K.I. Farms desires to continue to pay transportation charges on a system of flat rates per crate rather than upon a system of varying rates per 100 pounds. The application further states that the proposed rates and charges for the entire season's movement are expected to result in an operating profit to applicant, and will produce substantially more revenues to applicant than otherwise would accrue during this slack season.

The witness produced revenue and expense data for operations conducted during the 1970 season and projected revenue and expense data for the 1971 season. Without the tomato plant transportation applicant's equipment would not be fully utilized during an otherwise slack period.

The Commission finds that the proposed rates are reasonable. The Commission concludes the application should be granted.

O R D E R

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 those set forth in Appendix A attached hereto and by this reference made a part hereof.

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2. The authority herein granted shall expire with July 30, 1971.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 8th day of DECEMBER, 1970.

Chairman

*Wojcik*

*William J. Lyons Jr.*

*James M. ...*

*James L. Stinger*

Commissioners

Commissioner J. P. Wkasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

APPENDIX A  
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KARLSON BROS. TRUCKING SERVICE

SCHEDULE OF MINIMUM RATES FOR  
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, with a declared valuation of \$5.00 per 100 pounds; and to empty 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, 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) (1)  
Rates in Cents per Crate

Tomato Plants  
Per Lettuce crate 85

(1) Subject to minimum quantity of 20,000 pounds calculated at 70 pounds per 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 \$160.

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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 the  
foregoing rates shall be paid by I.K.I. Farms.