

Decision No. 14529

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA  
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In the Matter of the Rates of the }  
American Railway Express Company. }

APPLICATION NO. 5912

BY THE COMMISSION:

SECOND SUPPLEMENTAL ORDER

Whereas, the Interstate Commerce Commission on November 10, 1923, by Decision in Docket No. 13930, Express Rates 1922 (83,I.C.C.606) entered an order requiring carriers, parties to the proceedings, to establish certain interstate class and commodity express rates. This original order was supplemented by Decision of May 17, 1924 (89,I.C.C.297) requiring carriers to place revised class rates in effect on or before January 1, 1925, and further supplemented, making the effective date March 1, 1925.

Whereas, the Railroad Commission of the State of California participated actively throughout the proceedings conducted by the Interstate Commerce Commission; a representative of the Rate Department sat as one of the Examiners at all the hearings throughout the United States, while its Attorney participated at the hearings in California and appeared at the proceedings conducted at Washington, D.C. In addition to this activity, testimony and a great many exhibits were introduced at the hearings in San Francisco, beginning March 3, 1923. Prior to the institution of the Interstate Commerce

Commission's Docket No. 13930, the California Commission gave consideration to the application of the American Railway Express Company's application No.5912, and by Decision No.8121, September 17,1920 (18.C.R.C.879 ), authorized the Express Company to increase its class rates by 12½ per cent. The Express Company presented a second request seeking a further increase of 13½ per cent, based upon a decision of the Interstate Commerce Commission rendered September 21,1920 in Docket No.11326, Express Rates 1920 (58,I.C.C. 707), by our Decision No.8488, December 23,1920 (19.C.R.C.194); the increases here sought were denied upon the grounds that the Express Company had failed to prove that a further increase in California intrastate rates was just and reasonable. The opinion rendered September 17,1920. supra, read, in part, as follows:

"If request is made following the decision of the Interstate Commerce Commission in the 15 per cent proceeding for additional increases in rates or changes in classifications, resulting in increases in California rates, the applicant will be required to make an affirmative showing that the proposed increases, in so far as they affect California, are reasonable."

Following our decision December 23,1920, the Express Company entered a proceeding before the Interstate Commerce Commission, which proceeding was given Docket No. 12093, alleging that the order of December 23,1920 of the Railroad Commission of the State of California denying a further increase of 13½ per cent in the class rates would result in undue and unreasonable advantage, preference and prejudice as between persons and localities on intrastate traffic on the one hand, and interstate and foreign commerce on the other. No decision has yet been rendered by the Interstate Commerce Commission in Docket No. 12093, but this proceeding is not now controlling by reason of the fact that the

issues are included in Interstate Docket No. 13930.

The final orders of the Interstate Commerce Commission in Docket No. 13930 practically sustain this Commission in its conclusions December 23, 1920, supra.

The rates ordered into effect March 1, 1925 by the Interstate Commerce Commission are, with very few exceptions, those now being assessed under our order of December 23, 1920.

We are of the opinion that the rates within the State of California should harmonize with the interstate rates, thereby eliminating discrimination and avoiding the confusion of maintaining two sets of tariffs. Further, we are of the opinion that the American Railway Express Company has had every opportunity to present its position in conformity with the provisions of the Public Utilities Act.

The Railroad Commission of the State of California hereby adopts and makes its own the reports, findings and opinions of the Interstate Commerce Commission, as set forth in Docket No. 13930, Express Rates 1922.

IT IS ORDERED that the American Railway Express Company and the respondent carriers of express traffic, according as they participate in the transportation, be and they are hereby notified and required to cease and desist on or before March 1, 1925, and thereafter to abstain from publishing, demanding or collecting for the transportation of express traffic within the State of California rates or charges which shall exceed those prescribed in the orders issued by the Interstate Commerce Commission in Docket No. 13930.

IT IS FURTHER ORDERED that the said American Railway Express Company and the respondent carriers, according as they participate in the transportation, be and they are hereby notified and required to establish on or before March 1, 1925, upon notice to this Commission

and to the general public by not less than ten (10) days' filing and posting in the manner prescribed in the Public Utilities Act. and thereafter to maintain and apply to intrastate transportation of express traffic within and between points in the State of California rates and charges which shall not exceed those applicable to the same movement on interstate traffic within the same territory designated in the Interstate Commerce Commission's orders in Docket No. 13930, as applying to the State of California.

Dated at San Francisco, California, this 5<sup>th</sup>  
day of February, 1925.

H. H. Brundage

C. L. Seaver

George D. Squires

E. J. Brundage  
Commissioners