

Defendant, Pacific Electric Railway Company, duly filed its answer denying that it does not have reciprocal or interswitching relations with all the railroads in the city of Riverside with which its line connects; admits that it does not have such relationship with The Atchison, Topeka & Santa Fe Railway in said city and avers that there are no connections between The Atchison, Topeka & Santa Fe Railway Company and this defendant in the city of Riverside suitable for such interswitching arrangements within the switching limits. Defendant denies that its service is unsatisfactory or inconvenient to the shipping public and denies that any further facilities are necessary to be provided by this defendant in order to enable it to properly serve the public and to transport freight traffic handled by it.

Defendant, Southern Pacific Company (styled Southern Pacific Railroad in the complaint), duly filed its answer in which it generally denies the material allegations of complainant; and alleges that there is no direct physical connection between the tracks of Southern Pacific Company and those of Atchison, Topeka and Santa Fe Railway. Defendant further alleges that insofar as interstate commerce is involved in this complaint the Railroad Commission has no jurisdiction over the subject matter of the complaint.

Defendant, Los Angeles & Salt Lake Railroad Company (styled Union Pacific Railroad in the complaint), duly filed its answer alleging that it now maintains interchange arrangements with the three other lines of railway serving the city of Riverside, in connection with the handling of carload freight originating at or destined to the city of Riverside, in accordance with the provisions of Item 660, page 28, of L. A. & S. L. Terminal Tariff 200-E, C.R.C. No. 289. Defendant further alleges that in view of the provisions of the Transportation Act of 1920 this Commission has no jurisdiction over the subject matter of this complaint, such jurisdiction being, by the provisions of such enactment, vested in the Interstate Commerce Commission.

Defendant, The Atchison, Topeka & Santa Fe Railway Company, duly filed its answer alleging that the Railroad Commission has no jurisdiction over the subject matter of the complaint.

Public hearings on this complaint were held at Riverside, the matter was duly submitted and is now ready for decision.

Counsel for defendants joined in a motion for dismissal of this proceeding on the ground that the complaint was one over which the Railroad Commission had no jurisdiction by reason of the Transportation Act of 1920 having placed jurisdiction with the Interstate Commerce Commission by the provisions of subdivision 3 of paragraph 3 of the Interstate Commerce Act, a portion of said subdivision being as follows:

"All common carriers engaged in the transportation of passengers or property, subject to the provisions of this Act, shall, according to their respective powers, afford all reasonable, proper and equal facilities for the interchange of traffic between their respective lines, * * *."

Sperry Flour Company operates three warehouses at Riverside, the main place of business being served by Southern Pacific Company and Los Angeles & Salt Lake Railroad Company, the other two warehouses being served exclusively by Southern Pacific Company. It is now impossible to bring shipments into Riverside over the lines of The Atchison, Topeka and Santa Fe Railway Company for delivery to the two warehouses located on the Southern Pacific tracks. Grain coming to this concern via the line of the Southern Pacific Company cannot be transferred to Santa Fe tracks. The bulk grain unloading facilities of this company are located in the warehouse served by the Southern

Pacific-Los Angeles & Salt Lake tracks and an expense of from \$3000 to \$4000 would be required to duplicate such facilities at either of the other two warehouses now served exclusively by Southern Pacific rails. It is alleged that considerable grain originates at Marrietta, and at points in Perris Valley, all points on the line of Atchison, Topoka & Santa Fe Railway, but it appears that such grain is now moving by trucks and would probably continue to so move by reason of the advantage of field pickup and delivery to warehouse door.

The traffic manager of Sperry Flour Company presented an exhibit showing the intrastate movement for his company during the year 1924 to have been as follows:

<u>INBOUND</u>	<u>CARS</u>	<u>TONS</u>
Through continuous movement Los Angeles & Salt Lake R.R.	4	87
Atchison, Topoka & Santa Fe Railway Co.	35	978
Southern Pacific Company	62	1575
Milled in transit at Los Angeles Los Angeles & Salt Lake R.R.	0	0
Atchison, Topoka & Santa Fe Railway Co.	12	250
Southern Pacific Co.	12	268
<u>OUTBOUND</u>		
Milled in transit at Riverside Los Angeles & Salt Lake R.R.	0	0
Atchison, Topoka & Santa Fe Railway Co.	0	0
Southern Pacific Co.	<u>14</u>	<u>496</u>
TOTAL, Received and Forwarded	139 Cars	3564 Tons

This witness testified that extra expense was occasioned on intrastate traffic if cars were forwarded from Santa Fe points in the San Joaquin Valley destined to warehouses located on Southern Pacific tracks, or for carloads originating in the

Imperial Valley at Southern Pacific Company points and destined to Riverside for delivery on Santa Fe spurs, such shipments requiring to move via the Colton interchange and the local rate Colton to Riverside being assessed in either instance. Southern Pacific-Los Angeles & Salt Lake R.R. and Pacific Electric-Southern Pacific facilities were stated to be very satisfactory, the cause of complaint with this company being confined entirely to the Southern Pacific-Atchison, Topeka & Santa Fe Railway lack of interchange facilities.

Whitehead Brothers, handling eggs, butter and cheese in carload quantities, have their warehouse located on Southern Pacific tracks, and receive intrastate shipments via Atchison, Topeka & Santa Fe Railway from San Francisco Bay points and from Petaluma. If such shipments are not routed with destination as Southern Pacific delivery, an interchange through Colton is necessary, which could be obviated if proper shipping instructions and routing were to be given. An instance was given of two carloads of egg cases consigned from Los Angeles via Atchison, Topeka & Santa Fe Railway, resulting in local charges of \$27.00 and two days delay to secure delivery at the warehouse on the Southern Pacific tracks at Riverside, against a charge of \$2.70 per car had an interchange been available at Riverside. Shipment via Southern Pacific from Los Angeles would have afforded proper delivery at the spur track of this concern at Riverside and have obviated the extra expense and delay.

Mr. R. P. Small, engaged in the grain and feed business at Riverside, has a warehouse located on the Santa Fe tracks. This witness complains of inability to secure shipments from the Imperial Valley by reason of no joint rates on his commodities from Southern Pacific points therein located, carload shipments requiring to be drayed from Southern Pacific tracks to his warehouse at a drayage charge of 75 cents per ton or to be switched via Colton at the local rate of \$1.20 per ton.

If interchange switching were available, a rate of \$7.50 per car would be assessed for the transfer from Southern Pacific to Santa Fe tracks. This witness handles from 60 to 70 cars per year of which number 20% are intrastate movements.

Mr. E. T. Johnson of the firm of M. J. Johnson and Company, wholesale grocer, testified that his company had a warehouse served by both the Southern Pacific and Santa Fe lines, and that interchange switching would be convenient as regards car supply or the physical condition of the warehouse, it being sometimes desirable to change delivering carrier from that performing the line haul by reason of the space available in warehouse for the receipt of incoming shipments. Los Angeles & Salt Lake-Santa Fe interchange is now available to this witness and the interchange between Southern Pacific-Santa Fe is desired.

Mr. R. P. Small, with warehouse on Santa Fe, complained regarding a car of gypsum originating on the Southern Pacific at Plaster City in the Imperial Valley. The rate via Southern Pacific was said to be \$1.90 per ton but if Santa Fe delivery was made, the rate would have been \$3.50 per ton. Witness used Southern Pacific service and drayed the shipment to warehouse on Santa Fe tracks following its arrival at Riverside. Complaint was also made as regards grain in carloads from the Imperial Valley upon which the drayage charge amounted to \$15.00 to \$20.00 per car as against an additional local charge of \$1.20 per ton for transfer via Colton to permit of Santa Fe delivery at the warehouse of the witness.

The Southern Sierras Power Company, with material yard served by Southern Pacific Company, have shipments to move between Riverside, Victorville, Hemet, Perris, Elsinore and San Jacinto on the line of the Atchison, Topeka & Santa Fe Railway, and it is necessary to forward or receive such shipments via Colton. The Southern Pacific-Santa Fe interchange would eliminate the inconvenience now complained of by this company.

Mr. A. D. White, of the Chas. R. Mc Cormick Lumber Company with spur track served by the Atchison, Topeka & Santa Fe Railway, testified that during the past year there was one shipment for which interchange switching would have been of advantage.

Mr. E. A. Lynn, Manager of Riverside-Arlington Heights Fruit Exchange, testified that his company operated two packing houses on the Southern Pacific and two on the tracks of the Atchison, Topeka & Santa Fe Railway; that often shock arrived on the wrong line in which event drayage was used instead of transferring via Colton to save the expense of the local rate and to conserve time. Shipments arriving via routing other than specified cause inconvenience and an interchange between Southern Pacific and Santa Fe rails would eliminate the troubles experienced, although it appears from the testimony of this witness that expenses incurred by errors in routing or disregard of instructions as to delivering carrier are charged back to the consignor.

Mr. Fred Stabler, of Stabler-Parker Co., dealers in fruit processing machinery, testified that his company had three locations in Riverside, one of which was served by Southern Pacific Company and one by Santa Fe tracks. Shipments handled by the plants served by these carriers were as follows:

<u>Line</u>	<u>Year</u>	<u>Inbound</u>	<u>Outbound</u>
A. T. & Santa Fe Railway	1923	404 tons	77 tons
	1924	333 "	71 "
Southern Pacific Co.	1923	102 "	--
	1924	5 "	--

This witness testified that his company was inconvenienced by the necessity of being obliged to reroute shipments.

Mr. P. H. Davison, Manager of the Riverside Branch of the Poultrymen's Cooperative Milling Association, testified that his warehouse was located on the Southern Pacific tracks and received carload shipments from a mill in Los Angeles located on Santa Fe rails; that the first carload received via Santa Fe required an expense of about \$18.00 for drayage to the warehouse; that all shipments were now routed via Southern Pacific but such service was unsatisfactory, requiring two or three days longer to accomplish delivery than via Santa Fe routing.

Witnesses for defendant carriers testified as to the physical conditions existing at Riverside with respect to the track connections of the respective companies.

It appears that no complaint exists as to the service and facilities of any defendant as regards the receipt and delivery of carload shipments handled by any individual defendant; that no cause for complaint exists regarding interchange switching between the Southern Pacific-Pacific Electric; Southern Pacific-Los Angeles & Salt Lake; Atchison, Topoka and Santa Fe Railway-Pacific Electric, Los Angeles & Salt Lake-Pacific Electric, or Atchison, Topoka and Santa Fe-Los Angeles & Salt Lake.

The entire complaint refers to the lack of interchange switching between the Southern Pacific Company and the Atchison, Topoka and Santa Fe Railway Company. No physical connection exists between the tracks of these companies and it is of record that an expenditure of \$6100 would be necessary to provide the necessary track connection to accomplish the interchange between these carriers. Another method of accomplishing the interchange between the tracks of the Southern Pacific Company and the Atchison, Topoka and Santa Fe Railway Company would be by the use of the facilities of the Los Angeles & Salt Lake Railroad Company as an intermediate or bridge carrier between the Southern Pacific and Santa Fe rails. This bridge switching would require ,

if same were to be dependable and efficient, the maintenance of a switch engine and crew at Riverside and a division of revenue on all interline business handled; together with local switching rates for cars interchanged or switched where no line haul was involved.

It fully appears from the evidence herein that the switching which would be required to be performed by the Los Angeles & Salt Lake Railroad in the bridging of traffic between the Southern Pacific Company and the Atchison, Topeka & Santa Fe Railway Company could not be satisfactorily performed unless a switch crew were assigned to such work, as a dependable service could not be relied upon if the work was to be undertaken by local freight trains.

The volume of intrastate business, present and prospective, as shown by the record herein, does not justify the expense of construction of an interchange track between the Southern Pacific Company and the line of the Atchison, Topeka & Santa Fe Railway Company.

Shippers, represented by complainant herein, should instruct consignors to route shipments with destination specifically noted as to the line upon which their industries or warehouses are located, and where no through intrastate commodity rates exist between carriers and a reasonable volume of business is anticipated, application for the establishment of joint commodity rates should be made to the carriers and if such rates are not established, the request is one that may be brought to the attention of the Commission by appropriate application.

From the evidence herein, and after full consideration thereof, we hereby conclude and find as a fact that the volume of intrastate business as heretofore handled, and as anticipated, requiring inter-change switching between the Southern Pacific Company and the Atchison, Topeka and Santa Fe Railway Company at Riverside does not justify the construction of a connecting track between the

lines of the aforesaid railroads at an estimated expenditure of \$6100 nor the establishment by Los Angeles & Salt Lake Railroad Company of a switch engine and crew at Riverside for the handling of such bridge switching as may be necessary in the transfer of carload freight between the tracks of the Southern Pacific Company and The Atchison, Topeka & Santa Fe Railway Company.

In view of our determination upon the merits of this matter, it is unnecessary for us to discuss the questions raised in defendants' motion to dismiss for want of jurisdiction.

ORDER

Public hearings having been held in the above-entitled proceeding, evidence having been received, the matter having been duly submitted, the Commission being now fully advised, and basing its order on the conclusions and finding of fact as appearing in the opinion which precedes this order,--

IT IS HEREBY ORDERED that the complaint herein be, and the same hereby is dismissed.

Dated at San Francisco, California, this 1st day of December ~~1925~~ 1926

H. B. Sandberg

Chairman

Edmund Scott

Leon Whittell

Thos. D. Lott

Commissioners.