

Decision No. 18036

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application)
of Southern Pacific Company for)
Permission to Cancel commodity)
rate on Empty Mineral Water Bottles,)
Returning.)
- - - - -)

APPLICATION NO. 13160

James E. Lyons and A. L. Whittle, by A. L. Whittle,
for Applicant.

BY THE COMMISSION:

O P I N I O N

This is an application by the Southern Pacific Company under section 63 of the Public Utilities Act of the State of California for permission to cancel from its Tariff 730-C, C.R.C. 2904, Item 1490-A, the commodity rate of 4 cents per 100 pounds applying from San Francisco, Oakland and Sacramento to Williams, applicable on empty mineral water bottles, returning.

The applicable rates after cancellation of the commodity rate will be Class E, as per Pacific Freight Tariff Bureau Exception Sheet No.1-K, C.R.C.No.384, Item No.330.

A public hearing was held at San Francisco November 17, 1926 before Examiner Geary and the case being duly submitted is now ready for an opinion and order. Rates will be stated in cents per 100 pounds.

The rate applicant desires to cancel was first established July 23, 1909, being predicated upon 15 per cent of the concurrent rate applicable on new bottles. The commodity rate continued in effect subject to the war time changes brought about by the increases of June 25, 1918 (General Order No. 28); August 26, 1920 (Ex Parte 74), and the reduction of 10 per cent July 1, 1922 (Docket 13293).

Witness for applicant presented an exhibit and testified that the present rate was extremely low, especially when compared with the rate of 25 cents applicable on new bottles from San Francisco and Oakland to Williams, and also rates between other points in California on empty carriers, including bottles, returning for similar distances. He further testified that this commodity rate when first established was in line with rates on empty carriers, returning, between points in California as provided for in exceptions to the Western Classification; however, due to the fact that the class rates, also the Exception Sheet ratings, have since the war been amended at various times the 4 cent commodity rate is but 31, 35 and 47 per cent of what the rates would be from San Francisco, Oakland and Sacramento, respectively, if based on the current Exception Sheet ratings applicable on this class of traffic.

An exhibit was submitted showing that during a period of 18 months, from February 1, 1925 to September 30, 1926, inclusive, the total movement of empty bottles returning from San Francisco and Oakland to Williams consisted of 14 carloads; that no shipments were made from Sacramento; that the total revenue received for the 14 carloads was \$178.37, or an average of \$12.74 per car.

The distances between San Francisco, Oakland and Sacramento on the one hand, and Williams on the other, are 123, 119 and 62 miles, respectively, and the proposed rates compare favorably with the current rates of 14 cents from Los Banos and Livingston to San Francisco, and 11½ cents from Manteca to Sacramento on like traffic. The distances between these points are slightly greater than the distances between the points involved in this proceeding.

There appears no reason why mineral water bottles, returning from and to the points involved, should be given preferential rates. A careful study of the exhibits and testimony in connection with the instant rates indicates that the prevailing basis on empty carriers, returning, is that proposed by applicant and is not unreasonable.

There were no appearances in opposition, although shippers were notified of the hearing.

In Application No. 7292, January 17, 1922 (21 C.R.C. 103), wherein the short line carriers were authorized to cancel the provision providing 15 per cent of class rates for empty packages or carriers, Commissioner Loveland said:

"The rating of 15 per cent of class rate basis is one of the lowest ratings on any commodity handled by these carriers. It was further shown that these applicants, former non-federal controlled lines, do not handle a very great volume of returned empty carriers and that the application in this proceeding was prompted more by a desire for uniformity than by the possible increase in revenue."

Upon consideration of all the facts of record we are of the opinion and find that the commodity rate of 4 cents applicable on mineral water bottles returning from San Francisco,

Oakland and Sacramento to Williams is unjust and unreasonable and that the just and reasonable rates are the class E rates published in Southern Pacific Company Tariff 917-D, C.R.C.2929. The application will be granted.

O R D E R

This application having been duly heard and submitted, full investigation of the matters and things involved having been had, and basing this order on the findings of fact and the conclusions contained in the opinion, which is hereby referred to and made a part hereof,

IT IS HEREBY ORDERED that the application of Southern Pacific Company be and the same is hereby granted, and applicant is hereby authorized to cancel the rate on mineral water bottles from San Francisco, Oakland and Sacramento to Williams, as set forth in the application and published in Item 1490-A, Southern Pacific Tariff 730-C, C.R.C.2904.

Dated at San Francisco, California, this 4th day of March, 1927.

Ernesto
H. B. Sandigg
C. Leaver
Leon A. Hill
Thos. D. ...
 Commissioners.