

Decision No. 18190

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 F.W.Gomph, as Agent for Pacific Freight
 Tariff Bureau and on behalf of all
 carriers parties to said Bureau Exception
 Sheet No.1-K, Cal.R.C. No.383, operating
 in California and on behalf also of
 San Francisco-Sacramento Railroad,
 Sacramento Northern Railway,
 Tidewater Southern Railway, and
 McCloud River Railroad, for an Order
 Authorizing Cancellation of all Tariff
 Items containing reference to Rules
 for Constructing Combination Rates, as
 provided in Agent E.T.Jones' Freight
 Tariff No.228, I.C.C.No.U.S.1, C.R.C.
 No.1, supplements thereto and reissues
 thereof applicable in connection with
 rates on lumber and forest products.

ORIGINAL

APPLICATION NO. 13503

A.L.Whittle, H.W.Klein and Berne Levy, for Applicants.
 A.S.Titus, for California White & Sugar Pine Manufact-
 urers Association, Protestant.
 A.Larsson, for California Redwood Association,
 California Pine Box Distributors,
 Pacific Lumber Company (specifically), and
 Larsson Traffic Service, Protestants.

BY THE COMMISSION:

O P I N I O N

This is an application filed by F.W.Gomph, Agent
 Pacific Freight Tariff Bureau in behalf of carriers parties
 to that Bureau, also on behalf of the San Francisco-Sacramento
 Railroad, Sacramento Northern Railway, Tidewater Southern Rail-
 way and the McCloud River Railroad operating in California,

seeking authority to cancel from the individual tariffs all items containing reference to the rules for constructing combination rates as provided in B.T. Jones Tariff No. 228, I.C.C. No. U.S. 1, C.R.C. No. 1 and the supplements thereto.

A public hearing was held before Examiner Geary at San Francisco March 7, 1927 and the application having been duly heard and submitted is now ready for our opinion and order.

This tariff only provides the rules for the construction of through rates on lumber and forest products, but originally was also the basis for rates on brick, cement, cotton, lime and many other commodities; its application to California traffic was, by authority of this Commission, cancelled September 1, 1923 as to all commodities except those on lumber and forest products here in issue. The tariff had its origin during Federal control pursuant to General Order No. 28 of the Director General of Railroads, effective June 25, 1918, making increases in practically all rates of carriers under Federal control. These increases were generally effected by percentage increases in the existing rates, but on certain commodities flat increases in cents per 100 pounds or per ton were made. Lumber and forest products were given an increase of 25 per cent, but not exceeding an increase of 5 cents per 100 pounds.

Prior to February 15, 1919 the combination rule was published in individual tariffs. Effective on that date those individual tariff provisions generally were cancelled and the rule was published in I.C.C. No. U.S. 1, and reference items published in the individual tariffs of the carriers, making the master tariff I.C.C. No. U.S. 1 applicable. The tariff,

when issued in 1919, was to be a temporary publication whereby the combination rates on commodities which were in effect June 24, 1918 and which were increased under General Order No.28 June 25, 1918, should reflect but one increase in the total of the through charges. As illustrative; where separately established commodity rate factors are used in constructing combination rate a deduction of 5 cents per 100 pounds is made from each separately established commodity rate factor and to the sum of the commodity rate factor so reduced 5 cents per 100 pounds is added.

Because of peculiarities in connection with the application of the tariff many incongruous situations result and in numerous cases it is difficult for either the carrier or the shipper to determine the legally applicable rate. The Interstate Commerce Commission and this Commission have directed attention to the undesirable features of this publication and have requested the necessary action be taken to cancel the same and publish through rates to the basis of the rates in effect by use of the combination rules.

Authority for cancellation of the items governing the use of the Combination Tariff was issued November 26, 1920 under our 63rd section authority No.2738, but action by the carriers was withheld until September 1, 1923, when the cancellation was made effective as to all the commodities except lumber and forest products. These latter items were not taken care of in the year 1923 because of the impossibility of making proper tariff publication, hence it was necessary to continue the use of the Combination Tariff.

Carriers have checked their records and conducted investigations during the past six years to determine between

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what points there was a substantial movement of lumber and forest products where through commodity rates were not in effect and as a result have published numerous specific through rates and reduced many local rates to take care of the situation. Because of these adjustments comparatively few instances remain where the movement of lumber and its products are under the rules of this tariff.

At the hearing attention was directed to shipments of lumber from Placerville and Diamond Springs to points south of San Jose on the Southern Pacific and from lumber producing points on the Northwestern Pacific Railroad to points on the Sacramento Northern Railway. Applicants will be expected to publish through rates from and to these points not in excess of the rates now applicable.

Applicants agree and stipulate that if within three months after cancellation of the items attention is directed to a reasonable movement of lumber and forest products between points where the charges are now arrived at by use of the Combination Tariff, through rates will be published to the basis of the rates in effect prior to cancellation.

After full consideration of all the facts of record we are of the opinion and find that the application has been justified and that applicants should be authorized to cancel from their individual tariffs all items containing reference to rules for constructing combination rates, as provided in Agent B.T. Jones Freight Tariff No.228, I.C.C.No.U.S.1, C.R.C. No.1, and supplements thereto.

In furtherance of the stipulation, both carriers and shippers will be expected to cooperate in determining the points between which there is a reasonable movement of lumber and forest products in order that through rates may be published. The application will be granted.

O R D E R

This application being at issue upon complaint and answer on file, 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 precedes this order,

IT IS HEREBY ORDERED that applicants, San Francisco-Sacramento Railroad, Sacramento Northern Railway, Tidewater Southern Railway, McCloud River Railroad Company and applicant carriers parties to Pacific Freight Tariff Bureau, F.W.Gomph, Agent, be and they are hereby authorized to cancel from individual tariffs all items containing reference to rules for constructing combination rates as provided in Agent B.T.Jones Freight Tariff No.228, I.C.C. U.S.1, C.R.C. No.1, supplements thereto and reissues thereof, subject to the publication of rates on lumber and lumber products from Placerville and Diamond Springs to points south of San Jose

and from lumber producing points on the Northwestern Pacific Railroad to points on the Sacramento Northern, rates not in excess of those now in effect, and also subject to the stipulation that other rates will be published within a ninety days' period between specified points where through rates are not now in effect and where it has developed there is a substantial movement.

IT IS HEREBY FURTHER ORDERED that applicants be and they are hereby authorized to publish the aforementioned cancellation supplements without regard to the number of supplements now in effect.

Dated at San Francisco, California, this 7th
day of April, 1927.

Frank J. ...

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Thos. S. ...
Commissioners.