

Decision No. 18255.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

Pan American Petroleum Company,  
 Complainant,  
 vs.  
 Pacific Electric Railway Company,  
 Defendant.

**ORIGINAL**

Case No. 2337.

BY THE COMMISSION:

O P I N I O N

Complainant, a corporation, organized under the laws of the State of California, with its principal place of business at Los Angeles, is engaged in producing, refining and marketing petroleum oil and its products. By complaint filed March 26, 1927, it is alleged that the rate charged on four carloads of asphalt shipped during the period from November 6, 1924, to March 7, 1925 inclusive from El Segundo to Watson was unreasonable to the extent it exceeded the subsequently established rate of  $2\frac{1}{2}$ ¢ per 100 pounds. The complaint was presented informally May 17, 1926, thereby tolling the statute of limitation.

An award of reparation is sought. Rates are stated in cents per 100 pounds.

The applicable charges were based on a combination rate of  $7\frac{1}{2}$ ¢, made  $2\frac{1}{2}$  cents to Los Angeles and 5 cents beyond. The distance between the points involved in this proceeding is 21 miles. The distance between El Segundo and Los Angeles

is 17 miles, therefore it was unreasonable to charge  $7\frac{1}{2}$  cents for the movement to Watson when the rate from El Segundo to Los Angeles for distance slightly less was  $2\frac{1}{2}$  cents, consequently defendant voluntarily established effective April 15, 1926, the Los Angeles rate at Watson.

Complainant bases its plea for reparation upon the lower rate subsequently established. Defendant admits the allegation of the complaint and has signified a willingness to make reparation adjustment, therefore under the issues as they now stand a formal hearing will not be necessary.

Upon consideration of all the facts of record we are of the opinion and find that the rate assailed was unreasonable to the extent it exceeded the subsequently established rate of  $2\frac{1}{2}$  cents. We further find that complainant paid and bore the charges on the shipments involved in this proceeding and has been damaged to the extent of the difference between the freight charges paid and those that would have accrued at the rate herein found reasonable and that it is entitled to reparation.

Complainant will submit statement to defendant for check. Should it not be possible to reach an agreement as to the amount of reparation the matter may be referred to the Commission for further attention and the entry of a supplemental order should such be necessary.

#### O R D E R

This case 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 said opinion is hereby referred to and made a part hereof,

IT IS HEREBY ORDERED that defendant, Pacific Electric Railway Company, be and it is hereby authorized and directed to refund to complainant, Pan American Petroleum Company of Los Angeles, all charges it may have collected in excess of 2½ cents per 100 pounds on the shipments involved in this proceeding forwarded from El Segundo to Watson during the period from November 6, 1924, to March 7, 1925, inclusive.

Dated at San Francisco, California, this 20<sup>th</sup> day of April, 1927.

*Ernest J. ...*

*H. B. ...*

*C. L. ...*

Commissioners.