

Decision No. 18420.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

PAN AMERICAN PETROLEUM COMPANY,
Complainant,
vs.
PACIFIC ELECTRIC RAILWAY COMPANY,
Defendant.

Case No. 2362.

ORIGINAL

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 May 4, 1927, it is alleged that the rates charged for the transportation of 18 carloads of ground clay weighing 1,609,220 pounds shipped during the period August 8, 1925, to March 14, 1927 inclusive from Los Angeles to Watson were unreasonable to the extent they exceeded a rate of $3\frac{1}{2}$ cents per 100 pounds.

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

The Class "C" rate of $7\frac{1}{2}$ cents was lawfully applicable on the shipments moved prior to September 5, 1926. Subsequent thereto a commodity rate of 6 cents per 100 pounds was effective. Charges were assessed and collected on the shipments as follows:

332,340 pounds at $7\frac{1}{2}$ cents
189,000 pounds at 5 cents
1,087,880 pounds at 6 cents.

The 5-cent rate charged on the two carloads weighing "

189,000 pounds was not applicable on ground clay, and there is therefore an outstanding undercharge on those shipments.

Defendant voluntarily established effective April 21, 1927, a rate of $3\frac{1}{2}$ cents on crude or ground clay from and to the points involved.

Complainant bases its plea for reparation upon the lower rates subsequently established.

The following comparison of rates and earnings on clay in the same general territory and for distances comparable with that from Los Angeles to Watson is taken from a statement submitted by complainant.

From	To	Rate Cents	Distance Miles	Rate per Ton Mile
Los Angeles	Watson	* $7\frac{1}{2}$	15.8	.09493
"	"	* 6	15.8	.07595
"	"	* 5	15.8	.06329
"	"	$\frac{1}{4}$ $3\frac{1}{2}$	15.8	.0443
Whittier Jet.	Los Angeles	$2\frac{1}{2}$	11	.04545
Los Angeles	Glendale	$2\frac{1}{2}$	13	.03846
Gypsum	Riverside	$3\frac{1}{2}$	23	.03043
"	Colton	$3\frac{1}{2}$	30	.02333
Chester	Riverside	$2\frac{1}{2}$	19	.02632
"	Colton	$2\frac{1}{2}$	26	.01923
Corona	"	$2\frac{1}{2}$	21	.02381
"	Riverside	$2\frac{1}{2}$	14	.03571

* Rates charged.

$\frac{1}{4}$ Rate sought.

The rate upon which reparation is sought compares favorably with rates as shown in the above tabulation on the same commodity for equidistant hauls between other points in Southern California.

Defendant admits that the charges were unreasonable 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 rates charged were unreasonable to the extent they exceeded the subsequently established rate of $3\frac{1}{2}$

cents per 100 pounds. We further find that complainant paid and bore the charges on the shipments involved 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 unto complainant, Pan American Petroleum Company of Los Angeles, all charges it may have collected in excess of 3½ cents per 100 pounds on the shipments involved in this proceeding and forwarded during the period August 8, 1925, to March 14, 1927, inclusive, from Los Angeles to Watson.

Dated at San Francisco, California, this 1st day of June, 1927.

H. B. Brundage

C. S. Sweeney

Thos. S. Russell
Commissioners.