Decision No. 19184.

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

PAN AMERICAN PETROLEUM COMPANY, a Corporation, Complainant.



Case No. 2445.

PACIFIC ELECTRIC RAILWAY COMPANY, a Corporation, Defendant.

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BY THE COMMISSION:

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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 November 18, 1927, it alleges that the rate charged on three carloads of petroleum gas oil shipped during July, 1926, from Watson to Los Angeles, was unreasonable in violation of Section No. 13 of the Public Utilities Act of the State of California to the extent it exceeded the subsequently established rate of 3 cents.

Reparation only is sought. Rates are stated in cents per 100 pounds.

The lawful rate applicable to gas oil of 4 cents shown in Item 895-A of defendant's Tariff 120-C, C.R.C. 289, was charged. The contemporaneous rate on crude and fuel oil was 3 cents and a rate of the same volume was published effective February 18, 1927, applicable to the transportation hereinbefore described.

In Case No. 2182, Gilmore Oil Company et al. vs. Southern Pacific Company et al., Volume 28, C.R.C. 878, we found

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that the rates on petroleum gas oil from numerous points in Southern California to Los Angeles and O'Donnell Spur were unreasonable to the extent they exceeded the contemporaneous rates on petroleum crude oil and awarded reparation to the basis of the crude oil rates.

Complainant bases its plea for reparation upon the subsequently established rate. Defendant admits that the rate charged was unreasonable to the extent it exceeded 3 cents 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 3 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.

## <u>order</u>

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

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and the conclusions contained in the opinion, which said opinion is hereby referred to and made a part hereof,

IT IS HEREBY ORDERED that the defendant, Pacific Electric Railway Company, be and it is hereby authorized and directed to refund to complainant, Pan American Petroleum Company of Los Angeles, California, all charges it may have collected in excess of 3 cents per 100 pounds on the shipments involved in this proceeding and moved from Watson to Los Angeles during July, 1926.

Dated at San Francisco, California, this <u>13</u>nd day of December, 1927.

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