

Decision No. 21744.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application
of THE ATCHISON, TOPEKA AND SANTA FE
RAILWAY COMPANY, CENTRAL CALIFORNIA
TRACTION COMPANY, LOS ANGELES AND SALT
LAKE RAILROAD COMPANY, SOUTHERN PACIFIC
COMPANY, THE WESTERN PACIFIC RAILROAD
COMPANY, PACIFIC ELECTRIC RAILWAY COMPANY,
SIERRA RAILWAY COMPANY OF CALIFORNIA,
VISALIA ELECTRIC RAILROAD COMPANY, SAC-
RAMENTO NORTHERN RAILWAY COMPANY and
NORTHWESTERN PACIFIC RAILROAD COMPANY
for authority to increase minimum weights
on lime and lime products in carloads
between points in California to a minimum
of 40,000 pounds.

ORIGINAL

Application
No. 16012.

- H. H. McElroy and C. N. Bell for Southern Pacific
Company.
Berne Levy for The Atchison, Topeka and Santa Fe
Railway Company.
E. E. Bennett, J. P. Quigley and J. L. Ronnow for
Los Angeles & Salt Lake Railroad Company.
R. E. Wedekind and W. G. Knoche for Pacific Electric
Railway Company.
O. T. Helpling for California Portland Cement Com-
pany and Oro Grande Lime and Stone Company,
interested parties.
Gwyn E. Baker for United States Lime Products Com-
pany, interested party.

BY THE COMMISSION:

O P I N I O N

This is an application by The Atchison, Topeka and
Santa Fe Railway Company, Central California Traction Company,
Los Angeles & Salt Lake Railroad Company, Southern Pacific
Company, The Western Pacific Railroad Company, Pacific Electric
Railway Company, Sierra Railway Company of California, Visalia
Electric Railroad Company, Sacramento Northern Railway Company

and Northwestern Pacific Railroad Company under Section 63 of the Public Utilities Act for authority to establish for all intrastate traffic within the State of California a minimum weight of 40,000 pounds on lime and lime products, in carloads, where the minima are now lower. The rates are published in the 22 different tariffs of these railroads and are set forth in detail in the application. In justification of the proposed change in weight from 30,000 to 40,000 pounds, the petition sets forth:

"That a minimum carload of less than 40,000 pounds on lime and lime products moving intrastate is unreasonably low, and that the minimum of 30,000 pounds applicable generally within the State of California was put into effect many years ago when communities were smaller and the use of lime not as diversified as it is today, and when the carriers were using cars of much smaller carrying capacity; that due to highly competitive conditions which have developed in recent years * * * the carriers have been compelled to constantly effect greater economies, among the most important of which have been the increased size of carrying units, and concurrently therewith, the increase of minimum weights.

"That in the case of United States Lime Products Corporation vs. The Atchison, Topeka and Santa Fe Railway Company et al., Docket No. 20837, before the Interstate Commerce Commission, decided September 4, 1929, involving the rates on lime and lime products between Sloan, Nevada, and California destinations, the Interstate Commerce Commission found as not unreasonable minimum weights of 40,000 and 60,000 pounds to be applied on lime and lime products in carloads from Sloan, Nevada, to California destinations, and that by virtue of such order, applicable in interstate commerce, the carload minimum of 30,000 pounds, or any minimum below 40,000 pounds on lime and lime products in carloads between points in California, creates a preference in favor of shippers of lime from producing points within the State of California, and a prejudice against shippers of lime from interstate points of origin to California destinations which is discriminatory of such interstate shippers and discriminatory against interstate commerce."

These applicants who were the defendant carriers in Docket 20837 supra, are required on or before November 25, 1929

to remove the prejudice and discrimination which the Interstate Commerce Commission found to exist, and by reason of such order it is necessary to have the authorization hereby applied for in time to allow the publication of the necessary tariffs to establish the 40,000 minimum within California and make the tariffs effective on November 25, 1929.

A public hearing was held before Examiner Geary at San Francisco October 25, 1929, and the application having been duly submitted is now ready for our opinion and order.

Applicants presented a number of exhibits showing the rates, earnings per car mile and per ton mile, the tonnage, and the destination points. These exhibits show that the average loading by all of the carriers within the State of California is now in excess of the proposed minimum of 40,000 pounds. The average on The Atchison, Topeka and Santa Fe was 44,560 pounds, Southern Pacific 46,754 pounds, and Pacific Electric 56,820 pounds. It was also disclosed that while most of the rates within California are now based on a minimum of 30,000 pounds, there are some carrying 40,000 and 60,000 pound minimums. Between points within the State of Arizona the minimum weights vary, being 40,000, 60,000 and 80,000 pounds, with the lowest rate per ton for the highest minimum weight. The Interstate Commerce Commission prescribed a minimum of 60,000 pounds from and to points in Utah, Wyoming, Idaho, Oregon and Montana in the case of Nephi Plaster and Manufacturing Co. vs. D. & R.G., 87 I.C.C. 159, and in Utah Lime and Stone Co. vs. A.T. & S.F., 87 I.C.C. 170.

A number of letters and telegrams were received from interested lime producing companies located in California and Arizona, all favorable to the application being granted. There was one protestant, and this producer was principally interested in a special kind of quick-lime used in limited quantities

only; however, the record indicates that many cars were loaded to 40,000 pounds or over and that this shipper would have no great difficulty in increasing its loading from the present minimum of 30,000 to 40,000 pounds. The proposed adjustment is a step toward the uniformity of a minimum weight on the commodity as between interstate and intrastate traffic, and the present record indicates that the 40,000-pound minimum is not unreasonable.

We are of the opinion and find that the application should be granted, with the stipulation that should the Interstate Commerce Commission upon protest from shippers suspend the proposed interstate adjustment for the removal of the discrimination, that like action will be taken in connection with the tariffs filed by the authority of this order for the 40,000 pound minimum within the State of California.

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 The Atchison, Topeka and Santa Fe Railway Company, Central California Traction Company, Los Angeles & Salt Lake Railroad Company, Southern Pacific Company, The Western Pacific Railroad Company, Pacific Electric Railway Company, Sierra Railway Company of California, Visalia Electric Railroad Company, Sacramento Northern Railway Company and Northwestern Pacific Railroad Company be and the same is hereby authorized, and applicants are permitted to increase the minimum carload weight

from 30,000 pounds to 40,000 pounds applying on lime and lime products in the tariffs which are specifically set forth on page 2 of the application.

Dated at San Francisco, California, this 12th day of November, 1929.

Frank Louche

Leon A. Smith

M. J. Ann
Commissioners.