

Decision No. 23553.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

STANDARD OIL COMPANY OF CALIFORNIA,)

Complainant,)

vs.)

SOUTHERN PACIFIC COMPANY,
SUNSET RAILWAY COMPANY,
THE ATCHISON, TOPEKA AND SANTA FE
RAILWAY COMPANY,)

Defendants.)

ORIGINAL

Case No. 3003.

BY THE COMMISSION:

O P I N I O N

Complainant is a corporation engaged in the purchasing, producing, refining and marketing of petroleum oils and the products thereof. By complaint filed January 30, 1931, it is alleged that the charges assessed on numerous carload shipments of various commodities forwarded from Los Angeles to Taft and Coalinga during the two-year period immediately preceding the filing of the complaint were unjust and unreasonable in violation of Section 13 of the Public Utilities Act.

Reparation and an order authorizing the waiving of undercharges are sought. Rates are stated in cents per 100 pounds.

Coalinga is on the Coalinga branch of the Southern Pacific Company 298 miles north of Los Angeles. Taft is on the Sunset Railway 46 miles west of Bakersfield. Complainant's shipments consisted of 37 carloads of commodities variously described as:

"Rotary Gel,
 Rotary Weight
 Aquagel (Crushed Volcanic Stone),
 " (Volcanic Stone),
 " (Filtering Clay),
 Volcanic Stone (Aquagel),
 Stone Crushed or Ground (Aquagel),
 " " " " (Plastiwate),
 Stone (Crushed or Ground (Plastiwate),
 " " " " (Aquagel)."

They constitute new commodities used in the drilling of oil wells and are marketed under the trade names "Rotary Gel", "Rotary Weight", "Aquagel" and "Plastiwate".

At the time the shipments moved neither complainant nor defendants had determined what rates should apply. Charges varying from 12½ to 21½ cents to Coalinga and 25 cents to Taft were assessed. Subsequently however defendants informed the complainant that the shipments should be rated Class "C" analogous to "Barium Silicate Mud, Oil Well Drilling". The Class "C" rates from Los Angeles to Coalinga and Taft are 32 and 35½ cents respectively. Balance due bills were accordingly presented in certain instances. Effective April 7, 1930, in Item 1225 of Supplement 34 to Agent Gompf's Tariff 38-I, C.R.C. 402, and Item 695-D of 5th revised page 64 of Southern Pacific Tariff 825-E, C.R.C. 3271, defendants published rates of 20 and 22 cents on "Clay (except China Clay, Kaolin or Ball Clay), Ground", from Los Angeles to Taft and Coalinga respectively, to cover the movement of these shipments. It is on the basis of these subsequently established rates that complainant seeks reparation and an order authorizing defendants to waive the collection of undercharges.

Defendants admit the allegations of the complaint and have signified their willingness to make a 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 assailed rates in so far as they exceed 20 cents from Los Angeles to Taft and 22 cents from Los Angeles to Coalinga were unjust and unreasonable; that complainant made the shipments as described and is entitled to reparation without interest on the shipments on which it paid and bore charges in excess of those herein found reasonable and to relief from the payment of undercharges on all other shipments on which higher charges were applicable. In those instances in which charges lower than those herein found reasonable have been paid defendants should make the necessary collections. The payment of interest was specifically waived.

O R D E R

This case being at issue upon complaint and answers 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 defendants, Southern Pacific Company, Sunset Railway Company and The Atchison, Topeka and Santa Fe Railway Company, according as they participated in the transportation, be and they are hereby authorized and directed to refund without interest to complainant, Standard Oil Company of California, all charges collected in excess of 20 cents per 100 pounds for the transportation from Los Angeles to Taft and in excess of 22 cents per 100 pounds for the transportation from Los Angeles to Coalinga of the shipments involved in this proceeding.

IT IS HEREBY FURTHER ORDERED that defendants, Southern Pacific Company, Sunset Railway Company and The Atchison, Topeka and Santa Fe Railway Company, be and they are hereby authorized and directed to waive the collection of charges applicable on complainant's shipments in excess of 20 cents per 100 pounds from Los Angeles to Taft and in excess of 22 cents per 100 pounds from Los Angeles to Coalinga.

Dated at San Francisco, California, this 31st day of March, 1931.

O. C. Leary
Leon Owens
M. J. Lee
M. B. Harris
Frederic G. Stewart
Commissioners.