

ORIGINALDecision No. 24712.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SACRAMENTO NORTHERN RAILWAY and THE)
 WESTERN PACIFIC RAILROAD COMPANY for)
 permission to increase rates on grain,) Application No. 17919.
 flour and related commodities, between)
 certain points in Solano County and)
 San Francisco and Oakland, California.)

J. P. Haynes and L. N. Bradshaw, for applicants.

E. R. Warren, for Schuler-O'Connell Grain Company,
 protestant.

Neal C. Anderson, in propria persona, protestant.

C. S. Connolly, for Albers Bros. Milling Company,
 protestant.

BY THE COMMISSION:

O P I N I O N

In this proceeding the Sacramento Northern Railway and The Western Pacific Railroad Company ask that the Railroad Commission of the State of California make its order under Section 63 of the Public Utilities Act permitting changes bringing about increases and reductions in the rates charged for the transportation of grain and articles named in Item 400 Pacific Freight Tariff Bureau Exception Sheet No. 1-M, C.R.C. No. 448 of F. W. Gompf, Agent, and rates on flour and articles named in Item 390 of the Exception Sheet applying between stations located on the line of applicant Sacramento Northern on the one hand, and San Francisco and Oakland on the other hand, as per

exhibit attached to and made part of the application.

A public hearing was held before Examiner Geary at San Francisco on March 16, 1932, and the matter having been submitted is now ready for an opinion and order.

Testimony shows that on April 25, 1930, the Sacramento Northern commenced the operation of a branch line railroad between Creed on its main line and Vacaville Junction, thus connecting the main line with an isolated section of railroad extending from Vacaville to Fairfield-Willota. The authority to construct the line between Creed on the main line and Vacaville Junction was authorized by the Interstate Commerce Commission in Docket No. 6653, April 22, 1929. This construction made possible the moving of freight from points between Vacaville and Willota via the Sacramento Northern. In the publication of the original tariff, which became effective April 25, 1930, it was only the intention to duplicate the rates of the Southern Pacific to Oakland and San Francisco, but the tariff department overlooked the fact that the rates thus published from points on the new branch line would break down existing rates from intermediate main line points on the Sacramento Northern, Creed and west, an adjustment not intended or necessary. The rates to be changed affect only local points located on the Sacramento Northern to Oakland, and to San Francisco when routed via the Sacramento Northern to Oakland thence Western Pacific. It was further shown that since the link connecting the rails was constructed there has been no movement from stations on the branch, of grain and grain products under the rates to be cancelled, and that although they are merely paper rates so far as the origin points are involved they do serve to break down existing rates from intermediate points where some traffic may offer.

Opposition was entered by a shipper to the adjustment proposed because there was stored in a railroad warehouse at Molena grain from last year's crop. It was admitted however that this grain was small in quantity and would be moved out in the very near future; also that at the point of production there is the option of three routes, rail, vessels and trucks, so that interested shippers would still have the benefit of a selection of routes and rates.

In view of the fact that the rates were published through error and if continued in effect will break down rates at intermediate points which have not been shown to be unreasonable per se, we conclude and find that the application is just and should be granted.

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 preceding opinion,

IT IS HEREBY ORDERED that applicants Sacramento Northern Railway and The Western Pacific Railroad Company be and they are hereby authorized to amend items and rates to the extent set forth in Exhibit "A" attached to and made part of the application.

The authority herein granted shall become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 25th day of April, 1932.

C. C. Leaver
Leon Whitney
M. H. Pen
M. B. Rogers
Frederic G. Heston
Commissioners.