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ORIGINAL

Decision No. 2149

Decision No. ✓

BEFORE THE RAILROAD COMMISSION
OF THE STATE OF CALIFORNIA.

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In the matter of the Schedule)
or Tariffs of Rates of Charges) Case No. 122
of WELLS FARGO & COMPANY.)

MERCHANTS AND MANUFACTURERS)
ASSOCIATION OF LOS ANGELES,)
vs.) Case No. 279.

WELLS FARGO & COMPANY and)
AMERICAN EXPRESS COMPANY.)

CALIFORNIA CENTRAL CREAMERIES,)
vs.) Case No. 307.

WELLS FARGO & COMPANY.)

THE COUNTY OF ORANGE,)
vs.) Case No. 312.

WELLS FARGO & COMPANY.)
.....)

BY THE COMMISSION.

SUPPLEMENTAL OPINION.

In Decision No. 1269, rendered on February 9, 1914, the Commission prescribed a basis for the construction of rates by Wells Fargo and Company for the transportation of express packages within the State of California.

As explained in this decision, the Commission adopted, with certain modifications, the Interstate Commerce Commission's scale of rates, it appearing that the adoption of this scale of rates would bring about the same or approximately the same results as contemplated by this Commission in its original order. By so doing we hoped to avoid the complications which would follow from having in effect in California one system of rates and on interstate traffic an entirely different system, resulting in the

carrier's agents being required to maintain two sets of tariffs. In the interest, therefore, of uniformity the Commission tentatively adopted the Interstate Commerce Commission's system of rate making with such departures only as were necessary to bring about the desired results.

As stated in the decision above referred to, it was the intention of this Commission that the revenues of Wells Fargo and Company on intrastate traffic should be reduced approximately 15%. The defendant was required to keep a record of all traffic received and forwarded for a period of six months, commencing March 1, 1914, at San Francisco, Sacramento, Stockton, San Jose, Fresno, Los Angeles, and San Diego, which records would show the amount of revenue derived by the Express Company under the tentative rates adopted by the Commission and also the revenue which the Company would have received under the old scale of rates which were found unreasonable by the Commission in the original hearing. These records have been kept and furnished the Commission and indicate to our satisfaction that on traffic from and to these seven points based on the present volume of business a reduction of 13.4 per cent has been accomplished.

This percentage of reduction, as above stated, affects only the traffic to and from the seven points mentioned. In addition thereto we have statements of the reductions at a number of other points for the months of July and August, 1914. These statements show in part that in the month of July the reduction at Bakersfield amounted to 27.44 per cent, Chico 21.029 per cent, Grass Valley 14.134 per cent, Porterville 17.368 per cent, San Bernardino 16.68 per cent, Santa Rosa 12.492 per cent and Sonora 17.62 per cent. For the month of August the percentage reduction at Coalinga amounted to 17.565 per cent, Colusa 19.543 per cent, Merced 12.786 per cent and Riverside 21.518 per cent.

We have only shown above a few of the percentage reductions at typical points but the data furnished indicates that outside of the seven points originally mentioned in the order of

the Commission the average reductions for the month of July for a large number of outside points was 14.461 per cent, and for the month of August 17.394 per cent.

Taken as a whole, we may safely assume that the application of the rates prescribed in our decision of February 9, 1914, will bring about substantially the results which we contemplated in Decision No. 841, which was our first order in the so-called Express Cases.

With a complete readjustment of all express rates and the substitution of an entirely new system of rate making, some conditions are bound to arise which require modification from time to time.

The tariffs of the Express Company since our Decision No. 1269, above referred to, have been of a temporary character and in a chaotic condition, and while we are issuing this order for the purpose of enabling the defendant to reissue its tariffs, it is expected that such adjustments as will be necessary from time to time will be made by the defendant without contest, it appearing that such adjustments can be made and the carrier be in the same position as was contemplated under the original order of the Commission.

SUPPLEMENTAL ORDER.

The Commission having heretofore rendered decisions Nos. 841 and 1269 in the matter of the schedule or tariffs of rates of Wells Fargo and Company, Case No. 122; Merchants and Manufacturers Association of Los Angeles vs. Wells Fargo & Company and American Express Company, Case No. 279; California Central Creameries vs. Wells Fargo & Company, Case No. 307; and the County of Orange vs. Wells Fargo & Company, Case No. 312, and the required data having been supplied and the Commission being fully advised in the premises.

IT IS HEREBY ORDERED that Wells Fargo and Company be and the same is hereby directed to file within 90 days from the date of

this order tariffs covering the transportation of express packages within the State of California in accordance with said Decision No. 1269 and the opinion herein.

Dated at San Francisco, California, this 11th day of February, 1915.

Max Shelton
H. J. Howard
W. J. Ford

Commissioners.