

Decision No. 435

ORIGINAL

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the matter of the application of
 the SOUTHERN PACIFIC COMPANY to in-
 crease charge from \$2.50 per car to
 25¢ per ton of 2,000 lbs., with a
 minimum charge of \$5.00 per car, for
 switching freight in carloads from
 transfer tracks of the State Belt
 Railway to industry tracks and pri-
 vate sidings within the switching
 limits of the Southern Pacific Com-
 pany at San Francisco. :
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 : Application No. 272.
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George D. Squires, for applicant.

Seth Mann and Wm. R. Wheeler,
for the San Francisco Chamber of Commerce.

ESHEBMAN and LOVELAND, Commissioners.

O P I N I O N .

In this application, the Southern Pacific Company seeks to increase the charge for switching freight in carloads from the transfer tracks of the State Belt Railway to industry tracks and private sidings within the switching limits of the applicant from \$2.50 per car to 25 cents per ton, minimum charge \$5.00 per car.

The reasons advanced for this proposed change are:

First: To place traffic moving between industries on the Belt Railway and industries on the Southern Pacific Company's lines on the same basis as traffic moving between industries on the Santa Fe and the Southern Pacific Company, or the Western Pacific and the Southern Pacific Company.

Second: To provide the same charge on traffic moving from industries on the Belt Railway to industries on the Southern Pacific Company's lines as now applies in the reverse direction.

Third: That the rate asked for is a reasonable one for the service rendered.

The charge today for moving carload freight from an industry on the Santa Fe's line to an industry on the Southern

Pacific Company's line is 25 cents per ton, with a minimum charge of \$5.00 per car for the originating line and \$2.50 per car for the delivering line. The charge of 25 cents per ton accruing to the originating line is based on the theory that the originating line furnishes the equipment and performs a greater service than the delivering carrier and we find that with the exception of traffic moving from points on the State Belt Railway to industries located on the various lines, this reciprocal arrangement is uniform.

Under the present tariff provisions, a movement from points on the State Belt Railway to an industry located within the switching limits of the Southern Pacific Company's yards would be \$5.00 per car, \$2.50 accruing to each line. In the case of the State Belt Railway, however, the Southern Pacific Company performs all of the service which would ordinarily be performed had the traffic originated on its line; namely that of furnishing equipment.

Without in any way passing on the reasonableness of a switching charge where a main line movement is involved it seems to us that inequalities here exist for which there is no warrant. In the case covered by this application, the Southern Pacific Company is required to place an empty car switched from a more or less distant point to the transfer track of the State Belt Railway and after the car has been loaded at an industry located on the Belt Railway, the Southern Pacific Company must again switch this car loaded from the transfer track to the industry to which it is consigned.

Under ordinary conditions, or if shippers avail themselves of the provisions of the demurrage rules of this Commission, the car would be out of service at least four days, provided it was handled with the greatest promptness, but we believe generally it will be found that cars used for such business would be out of service from six to eight days. The situation would be entirely

different if the State Belt Railway had a supply of cars and was in a position to furnish equipment for this service as are the other connecting carriers of the Southern Pacific Company.

It appears to us to be certainly inconsistent to charge a minimum of \$7.50 per car for a movement from an industry on the Southern Pacific to an industry on the Belt Railway and but \$5.00 per car for a movement from an industry on the Belt road to an industry on the Southern Pacific, as in either event the Southern Pacific must furnish equipment.

Considering the character and extent of the movement of freight under consideration and the facts as to furnishing and use of equipment as herein set forth, we find upon the evidence now available that the rate asked for is a reasonable rate.

While subsequent investigation may lead to a different conclusion, we are at present of the opinion that the application is reasonable and should be granted.

At the hearing of this application shippers of dried fruit from points on the Northwestern Pacific Railroad— which fruit was consigned to packing houses served by the Southern Pacific Company and which was subject to the charge of 25 cents per ton in addition to the State Belt Railway's charge, as per Item 212-1 of Terminal Tariff 230-G, C.R.C. 1260— protested against the provisions of this item. We believe this item should be amended to read \$2.50 per car for the reason that in this case the Southern Pacific Company does not furnish the equipment and is put in the same position with reference to the Northwestern Pacific Railroad as any other connecting carrier in San Francisco.

The following order is recommended:

ORDER.

Application having been made by the Southern Pacific Company to increase the charges for switching freight, carloads, from transfer tracks of the State Belt Railway to industry tracks and private sidings within switching limits of that company in San Francisco from \$2.50 per car to 25 cents per ton, minimum charge \$5.00 per car, and a regular hearing having been held, and it having been found that the request is reasonable.

IT IS HEREBY ORDERED that the Southern Pacific Company be and it is hereby authorized to amend its terminal tariffs increasing the charge for switching freight in carloads from transfer tracks of the State Belt Railway to industry tracks and private sidings within the switching limits of that company in San Francisco from \$2.50 per car to 25 cents per ton, minimum charge \$5.00 per car.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco this 4th day of February,
1913.

John M. Eastman
W. H. David
W. G. ...
Max ...
Edwin O. Edgerton

Commissioners.