

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of Various Public Utilities for permission to charge less than Published Schedules of Rates in Certain Classes of Cases. } Case No. 293.

E. S. Pillsbury for The Pacific Telephone & Telegraph Co.
Guy C. Earl for Great Western Power Company and
City Electric Company.
E. H. Trowbridge for Southern California Edison Co.

BY THE COMMISSION.

SUPPLEMENTAL OPINION.

This case was decided January 24, 1913, and reference should be had to the decision for the facts involved.

The second subsection of the order reads as follows:

"Within three months from the date of this order all public utilities desiring to continue concessions established by contracts heretofore entered into and not coming under the provisions of paragraph (1) of this order, shall file with this Commission correct copies of such contracts as they may desire to continue, with such explanations, if any, as may show to the Commission clearly the situation with reference to such contracts, whereupon the Commission will decide whether or not it will permit such contracts to stand during their term. In all cases in which utilities do not file contracts within the time herein specified, it shall be unlawful thereafter to charge any rate other than the rate specified in the schedules on file with this Commission as applicable to the class of service specified in the contract; provided, that where a utility had a rate of general application to some class of consumers in effect on October 10, 1911, and also a "standard" rate which is higher than such rate, the lower rate in effect on October 10, 1911, shall continue in effect as to the customers who enjoyed such rate until the Commission, on application therefor, authorizes a change. This paragraph applies to all public utilities other than common carriers, whether they have hitherto filed applications with this Commission or not."

The language in the proviso was inserted for the specific purpose of preventing utilities when discriminated appeared from removing this discrimination by increasing the lower rate so as to make it the same as the higher rate, irrespective of the question whether fairness demands the reduction of the higher rate or the increase of the lower rate. At times, it may be more reasonable to require the removal of discrimination by reducing the higher rate to the level of the lower. There are many cases wherein even an individual rate may constitute the proper charge for a class of

service. An individual consumer may constitute a class because in a similar situation no other consumer is ~~discriminated~~ with reference to the utility in question. Such being the case, and the attention of the Commission having been called to the probability that under the authority of this order some of the utilities will seek to raise a great many rates and thus eliminate discrimination which could and should be eliminated by decreasing the rates, we have found it necessary to adopt the following supplemental order:

ORDER

The foregoing case having heretofore been heard and a decision and order rendered on the 24th day of January, 1913, and

IT APPEARING TO THE COMMISSION that a possible construction of said order may empower the utilities to make substantial increases in their rates without justification, and

IT FURTHER APPEARING TO THE COMMISSION that where discrimination exists and there are two methods of removing the discrimination, one by the raising of the rates and the other by the lowering of the rates, the Commission should determine which method should be pursued in each particular case in justice to the utility and the consumers involved.

IT IS HEREBY ORDERED that in compliance with the order heretofore rendered, the utilities involved shall file all of their deviations and indicate those which it is their desire to continue and the reasons therefor, and ^{shall} ~~to~~ retain in effect both such deviations desired to be retained and the deviations which such utilities desire to eliminate, pending the determination by this Commission in each particular case as to the method of removing such discrimination. Where such rates have been established by contract, copies of the contracts shall be filed. Where such rates have heretofore been filed, reference to the date and the occasion of the filing may be made without again filing the same. In compliance with this and the previous order herein,

IT IS FURTHER ORDERED that all utilities retain in effect all of those rates, tolls, rentals or charges which were being actually charged on the 10th day of October, 1911, until the Commission shall authorize a change therefrom.

This order, however, is not to affect changes that have heretofore been authorized in specific cases by this Commission or xx discriminations which have heretofore been removed by utilities under the Public Utilities Act and the orders of this Commission or other competent legal authority.

The information to be filed under the provisions of this supplemental order shall be filed on or before the 19th day of July, 1913.

Dated at San Francisco, California, this 19th day of April, 1913.

Alfred S. ...
Wm. ...
Edwin O. ...

Commissioners.