

Decision No. 8498

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

South San Francisco Chamber of Commerce.  
Complainant.

vs.

Southern Pacific Company, a corporation.  
The Atchison, Topeka & Santa Fe Railway  
Company (Coast Lines), a corporation.  
Western Pacific Railroad Company, a  
corporation.  
Defendants.

ORIGINAL

CASE NO. 1433.

BY THE COMMISSION:

SUPPLEMENTAL REPORT OF THE COMMISSION

In our former opinion and order in this Case, No. 1433, Decision No. 8221, dated October 11, 1920, we considered the extent of the San Francisco switching limits and the charges assessed by defendants for moving carload traffic between San Francisco and South San Francisco locally, and between San Francisco and South San Francisco when in connection with the line-haul rates of the three defendants.

Complainants alleged that the charges were unjust, unreasonable and discriminatory and that South San Francisco should be included within the San Francisco switching limits.

With reference to the intrayard or local switching

charges, we said:

"The computation of the switching costs in 1914 did not include traffic between San Francisco and South San Francisco, nor does it disclose the relative cost of switching between Elmhurst and Oakland Wharf against South San Francisco-San Francisco. Therefore, while of general interest as an index of switching costs in the different sections embraced within its scope, it is of little evidentiary value in the determination of the issues involved in this proceeding."

\* \* \* \* \*

"The record shows that transportation between San Francisco and South San Francisco is a switching service similar in character to that performed between Oakland Wharf and Elmhurst and while the evidence adduced does not warrant a finding that the 30-cent zone at San Francisco should be extended to include South San Francisco, or that the 60-cent rate between San Francisco and South San Francisco is of itself unreasonable, it does show conclusively that a discriminatory and prejudicial situation has been created by the maintenance of a 30-cent rate between Oakland Wharf and Elmhurst with concurrent charge of 60 cents between South San Francisco and San Francisco."

\* \* \* \* \*

"That the practice of the Southern Pacific Company in maintaining present rates on local carload traffic between South San Francisco and San Francisco and to the Southern Pacific Company's connection with the State Belt Railroad is unduly prejudicial to South San Francisco to the extent that the charge exceeds the charge made at San Francisco and at Oakland for performing a like service. The Southern Pacific Company will be required to submit to the Commission on or before December 10, 1920, in conformity with the terms of the Public Utilities Act and the established rules of this Commission, a tariff removing the discrimination."

In the order the carriers were instructed to include South San Francisco within the San Francisco switching limits in

connection with line haul traffic and also to arrange for the absorption of the switching charge between San Francisco and South San Francisco when incidental to a line haul with connecting carriers at competitive points.

As a compliance with the order the Southern Pacific Company amended its Tariff CFP Circular 199-D, C.R.C. 2123, and its Tariff No. 730-A, C.R.C. No. 3456, which had the effect of making all of the San Francisco intrastate line haul rates apply to South San Francisco. This manner of complying with the order was not in conformity with proper tariff publication and instructions were at once issued to the Southern Pacific Company to amend Item 2950 in Terminal Tariff 250-E, C.R.C. No. 2477 and include South San Francisco within the switching limits of San Francisco. Corrections to the Terminal Tariff were received by the Commission December 18th and became effective December 20, 1920. This publication in the Terminal Tariff, however, had no effect upon the charges assessed subsequent to December 10, 1920, for the reason that the changes made in Tariffs 199-D and 730-A brought about the same results.

Under date December 2, 1920, the Southern Pacific Company, as a compliance with the opinion and order to remove the discrimination in the intrayard switching charges at San Francisco-South San Francisco, as compared with the service performed at San Francisco, Oakland and Los Angeles, presented a petition proposing certain adjustments, which the carrier claimed would straighten out the situation, and remove the complaints. The petition, if granted,

would disturb the switching zones at present existing and, therefore, the petition was ordered set for formal hearings - at Los Angeles Thursday, December 30, 1920 and at San Francisco Monday, January 26, 1920.

In a supplemental complaint filed by the South San Francisco Chamber of Commerce December 14, 1920, it is alleged that the Southern Pacific Company has failed to comply with the Commission's Decision and Order in Case No. 1433.

In rendering its decision, on October 11, 1920, the Commission gave careful and detailed consideration to the entire evidence and all of the exhibits, and in the opinion outlined the adjustments justified by the complainants. A careful reading of the opinion and order, which must be considered together, clearly defines the changes to be made.

The Southern Pacific Company, as heretofore stated, was instructed to remove the prejudice and disadvantage found to exist in the switching adjustment against South San Francisco in connection with line-haul traffic, and also to present to the Commission on or before December 10, 1920 a tariff removing the discrimination found to exist against the intrayard switching.

We are of the opinion that the defendant, Southern Pacific Company, by the changes made in its Tariff 199-D, C.R.C. No. 2123; 730-A, C.R.C. No. 2436 and Terminal Tariff No. 230-E, C.R.C. No. 2477, met the Commission's requirements involving line-haul traffic and when it filed with the Commission December 2, 1920 an application under Sections 15 and 63 of the Public Utilities Act proposing an adjustment removing the discrimination in the intrayard switching rates it met the opinion and order in that situation.

The further hearings to be held at Los Angeles on Thursday, December 30, 1920 and at San Francisco on Monday January 26, 1921 are for the purpose of taking testimony in support of the proposed tariff for removal of the discrimination in the charges assessed for the handling of local intrayard switching between San Francisco and South San Francisco as compared with the service between Oakland Wharf and Elmhurst, especially as to the reasonableness of the proposed rates.

An error was made in Decision No. 8221, October 11, 1920, in that part of our order carried in the first paragraph at the top of page 18 of the typewritten decision, by which the carrier was notified to cease and desist on or before December 10, 1920 and thereafter to abstain from continuing the discrimination in connection with local intrayard switching movements between San Francisco and South San Francisco. The order should have instructed the Southern Pacific Company to present a tariff removing the discrimination and the order will be corrected, as hereinafter set forth.

The supplemental complaint of the South San Francisco Chamber of Commerce is hereby dismissed.

#### O R D E R

This case, coming up for further consideration, and the Commission having <sup>made</sup> a supplemental report containing its conclusions

thereon, which report is referred to and made a part hereof.

IT IS HEREBY ORDERED that the second paragraph contained in the order in Decision No. 8221, Case No. 1433, of October 11, 1920, be amended to read as follows:

IT IS HEREBY ORDERED that the Southern Pacific Company be and it is hereby notified and required to submit to the Commission on or before December 10, 1920, in conformity with the terms of the Public Utilities Act and the established rules of this Commission, a tariff removing the discrimination and the undue and unreasonable prejudice and disadvantage found in the preceding opinion to result from the publishing, demanding and collecting of a higher rate for the transportation of freight in carloads between South San Francisco and San Francisco locally, or between South San Francisco and Southern Pacific Company's transfer track with the Belt Railroad at San Francisco, when incidental to water transportation beyond, than it contemporaneously publishes, demands and collects for the transportation of like shipments between Elmhurst and Oakland Wharf.

Dated at San Francisco, California, this 31 day of

*January, 1921.*  
~~December, 1920.~~

H. S. Howard  
Frank R. Durbin  
H. B. Boudige

Commissioners.