

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of F. W. Gomph, Agent, in the name  
and on behalf of the following  
carriers -

E. V. Rideout Company  
Holton Interurban Railway  
Chowchilla Pacific Railway  
Mc Cloud River Railroad  
Nevada County Narrow Gauge  
Railroad Company  
Pacific Coast Railway Company  
Pacific Electric Railway Company  
Pacific Steamship Company  
Petaluma & Santa Rosa R.R. Company  
Sacramento Northern Railroad  
San Francisco-Sacramento Railroad  
Santa Maria Valley Railroad  
Tidewater Southern Railway  
Tonopah & Tidewater Railroad  
Trona Railway  
Visalia Electric Railroad

for an order granting permission  
to establish certain rates on carriers,  
second hand, empty, returned, carload  
and less carloads.

ORIGINAL

APPLICATION NO. 7292

W. R. Millar and T. J. Day, for applicant (P.E.Ry. and  
Visalia Electric Railroad)  
H. S. Graham for Petaluma & Santa Rosa Railway  
R. B. Mitchell for Bay Point & Clayton Railroad  
D. M. Swobe, for Mc Cloud River Railroad  
James A. Keller, for Pacific Portland Cement Co.  
L. H. Rodebaugh, for San Francisco-Sacramento R.R. and  
Nevada County Narrow Gauge Railroad.

LOVELAND, Commissioner -

O P I N I O N

This application of F. W. Gomph, Agent, in the name of  
and on behalf of carriers shown in Exhibit "A" attached to and  
made a part of the application in this proceeding, all of which  
carriers are parties to Pacific Freight Tariff Bureau Exception  
Sheet I-H, C.R.C. No.254, acting under authority of Power of  
Attorney or formal concurrence in the said Exception Sheet on

file with the Commission from each of said carriers, petitions the Railroad Commission under Section 63 of the Public Utilities Act for an order granting permission to increase certain rates by readjusting the rates on second hand returned empty carriers and on empty second hand carriers moving outward for return paying load over the same route as the outbound movement.

The present rating on empty packages or carriers, not new, but having been used in transporting property and being returned to any point on lines of the parties to this proceeding, is carried in F. W. Comph, Agent's C.R.C. 254, Item 270, and applies only on lines that were not under federal control during the war period, and provides a rating of 15% of class rates per the current Western Classification or as may be amended in the Exception Sheet applying to the same packages new, subject to minimum charge the same as on shipments of new packages. The application which was amended at the hearing proposes a classification rating on less carloads of one half of 4th Class, subject to minimum scale, and on carloads, Class B, but not to exceed less than carload rate, minimum weight 12,000 pounds, subject to Section 6 of Rule 34 of Current Western Classification or as an alternative basis, Class E, but not to exceed less than carload rate, minimum weight 30,000 pounds. In the case of boxes or crates, second hand, it is proposed to apply minimum carload weight 12,000 pounds, subject to minimum charge \$8.00 per car and subject to Rule 60-A in the current Western Classification.

Protestants at the hearing called attention to the fact that in some instances the application of the rates according to the rules produced higher freight charges for carloads of empty carriers returned than the charges for less carloads. However, the application as amended in the paragraph above eliminates the possibility of a carload charge being higher than a less carload charge.

During the period of federal control the United States Railroad Administration canceled the 15% of class rate basis on all federal controlled lines and established thereon a rating of one half of 4th Class for less than carloads and an alternative carload rating Class B, minimum 12,000 pounds or Class E, minimum 30,000 pounds. This did not apply to the lines not under federal control which were mostly short lines and therefore the previous rating was continued in effect on these non-federal controlled lines and the present application is to put rates applying on the non-federal controlled roads on a uniform basis with the rate applying over previous federal controlled lines.

The evidence showed that the higher basis of rates prescribed by the Railroad Administration now applies on shipments moving jointly over a former federal controlled line and a non-federal controlled line, thus we have two bases of rates applying between two points where two routes prevail, one of which is by a one line haul and the other via a two or more line haul where one of the lines was previously under federal control and others were not. The rating on less carloads empty boxes returned moving from Oakland to Chico via the Southern Pacific Company, a former federal controlled line, would be higher than via the San Francisco and Sacramento Railroad and Sacramento Northern, both non-federal controlled, while via the Southern Pacific and Sacramento Northern, the one a federal controlled, the other a non-federal controlled road, between the same points the rate would be the same as if the shipment moved over one line which was formerly under federal control.

In addition to the 15% basis being low, the application of the rates for two line haul is productive of confusion and also creates a discriminatory situation. I can conceive no good reason why the basis should be different over lines which were

formerly not under federal control from that applying over the lines that were formerly under federal control and in addition it is to the best interest of all concerned that the rates be uniform.

The rating of 15% of class rate basis is one of the lowest ratings on any commodity handled by these carriers. It was further shown that these applicants, former non-federal controlled lines, do not handle a very great volume of returned empty carriers and that the application in this proceeding was prompted more by a desire for uniformity than by the possible increase in revenue.

Furthermore, it is well known that the short line carriers are not in good financial condition; that they need additional revenue and inasmuch as the applicants in this proceeding are practically all short lines, as described above, I believe they are entitled to whatever additional revenue will accrue under the proposed rates.

This case being at issue upon application on file and having been duly heard and submitted by the parties and full investigation of the matters and things involved having been had, I find that the application in this proceeding as amended should be granted.

#### ORDER

IT IS HEREBY ORDERED that F.W. Gomph, Agent for carriers listed in Exhibit "A" attached to and made a part of the application in this proceeding be and he is hereby authorized to establish on five (5) days notice, the classification rating as proposed in the application in this proceeding as amended.

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, California, this 17th  
day of January, 1922.

H. B. Burdick  
H. B. Burdick  
W. H. ...  
W. H. ...  
W. H. ...  
COMMISSIONERS.