

Decision No. 28402

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
SOUTHERN PACIFIC COMPANY for an  
order authorizing increase in rates  
on grain, flour and other articles,  
carloads, as described in Items 390 and  
400 Series of F. W. Gomph's Exception  
Sheet C.R.C. 503, between Flosden,  
Suisun-Fairfield and points between  
on the one hand, and Port Costa,  
San Francisco, Oakland, Alameda and  
Richmond and intermediate points on the  
other hand, together with authority to  
continue the present rates on all  
commodities listed in said Items,  
with certain exceptions and restrictions  
between South Vallejo and the same  
points.

ORIGINAL  
Application  
No. 19087

BY THE COMMISSION -

OPINION and ORDER

By this application authority is requested to  
increase the rates of the applicant on grain and millfeed  
between Flosden, Suisun-Fairfield and points between, and  
Martinez, San Francisco and points between and for relief from  
the long and short haul provisions of Section 24(a) of the  
Public Utilities Act to publish non-intermediate in application  
its present water compelled rate of 5 cents per 100 pounds on  
grain from South Vallejo to San Francisco and Oakland.<sup>1</sup>

Applicant assigns the following reasons in justification  
of the proposed rates:<sup>2</sup>

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1 The rate is now published maximum in application.

2 The rates proposed are 7½ cents between Suisun, Fairfield-  
Flosden and San Francisco-Selby and points between; 7 cents be-  
tween Suisun-Fairfield-Flosden and Crockett, Martinez and points  
between; 5 cents between South Vallejo and San Francisco and  
4½ cents between South Vallejo and Oakland, Martinez and points  
between.

"(a) The present rate of 5 cents per 100 pounds between Flosden, Suisun-Fairfield and points between on the one hand, and San Francisco, Martinez and points between on the other hand, shown in Exhibit "A" and 4½ cents per 100 pound rate between Flosden, Suisun-Fairfield and points between on the one hand and Oakland, Martinez and points between on the other hand, shown in Exhibit "A" are very low rates compared with rates generally in effect in this territory for comparable transportation service, but because of water competition between South Vallejo and San Francisco, Martinez and points between it has been necessary, in the absence of Section 24(a) relief, to publish the same low rates as applicable from and to South Vallejo, a more distant point. The proposed increases will result in rates which will be neither unjust nor unreasonable and will be more in line with rates generally in effect in this territory for comparable transportation service.

"(b) At the hearing before the Commission concluded on August 12, 1933, in Cases 3617, 3621, 3622, 3623, 3633 and 3458, the complainants, The River Lines, as well as certain interveners, requested that the Commission make an order therein requiring the publication of certain minimum rates by the boat and barge lines, including a rate of 7½ cents per hundred pounds from Suisun-Fairfield to San Francisco by the Rio Vista Lighterage Company, Inc. (defendant in Case No.3617). At that hearing this applicant went on record that it would increase the rail rates from Suisun-Fairfield, as shown on said Exhibit "A", provided the water carriers would, in similar manner, increase their rates, and provided also the Commission would grant this applicant 24th section relief continuing our present rates applying between South Vallejo and the San Francisco Bay district.

"Upon checking the tariff it develops that the rates from and to Flosden and points between Flosden and Suisun-Fairfield will have to be increased to the proposed level of the Suisun-Fairfield rates as set forth in Exhibit "A".

"In connection with the authority herein sought to increase the rates as set forth in said Exhibit "A", applicant also applies, under Section 24(a) of the Public Utilities Act, for an order permitting the continuance of the rate of 5 cents per hundred pounds on flour, grain and other commodities listed in Items 390 and 400 Series of F. W. Gomph's Exception Sheet C.R.C. 503 between South Vallejo, California, and San Francisco, California, also the rate of 5 cents per hundred pounds on flour and other commodities listed in Item 390 Series of F. W. Gomph's Exception Sheet C.R.C. No. 503 and the rate of  $4\frac{1}{2}$  cents per hundred pounds on grain and other commodities listed in Item 400 Series of F.W.Gomph's Exception Sheet C.R.C. 503 between South Vallejo, California, and Oakland, Alameda, Fleming, Nobel, Vigorit, Bates, Stege, Richmond, Giant, Sobrante, Nitro, Pinole, Hercules, Rodeo, Oleum, Tormey, Selby, Crockett, Port Costa, Nevada Dock, Ozol and Martinez, California, except that such rates would not apply on whole wheat or whole barley in straight carload lots and restricting such rates so that the mixture of whole wheat and/or whole barley in such carloads would not exceed 20 per cent of the total weight of the car.

"Insofar as 24th Section relief is sought in this application, this application is based upon the desire of petitioner to continue to meet the competitive conditions created at South Vallejo by water competition, particularly the E.V.Rideout Company and the Crowley Launch and Tug Boat Company."

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By Decision No. 26406 of this date the Commission prescribed a rate of  $7\frac{1}{2}$  cents per 100 pounds, or \$1.50 per ton of 2000 pounds for the transportation of grain and millfeed by water from Suisun to San Francisco. Applicant Southern Pacific Company is an active competitor in the transportation of these products between the same points (Suisun-Fairfield to San Francisco) and must, in order to preserve a competitive relationship between the two forms of transportation, maintain a rate not less than that in effect via the water carriers.

Written notice of this application has been given the only shipper of record which may be affected by the proposed adjustment. No protest has been filed by this shipper.

We are of the opinion that this is a matter not requiring a formal hearing and that the application should be granted.

IT IS HEREBY ORDERED that the above entitled application be and the same is hereby granted, subject to the following conditions:

1. That effective concurrently with tariff filings prescribed in Decision No. 26406 of October 9, 1933, in Case 3621, et al., applicant Southern Pacific Company shall file upon not less than one day's notice to the Commission and the public the proposed rates shown in Exhibit "A" of the application.
2. That the granting of this application does not waive any of the requirements of the Commission's published rules relative to the construction and filing of tariff publications.

Dated at San Francisco, California, this 9th day of October, 1933.

C. J. Scamper  
L. A. Dwyer  
W. A. Linn  
W. B. Vance  
W. L. Moore  
COMMISSIONERS.