

Decision No. 27051

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of
F. W. GOMPH, as Agent for The Atchison,
Topeka and Santa Fe Railway Company,
and other carriers named in the body of
the Application, for an Order Authoriz-
ing Increases in Freight Rates and
Charges Resulting from Publication of
Changes in Rules and Regulations Govern-
ing the Number of Diversions or Recon-
signments of Fresh Fruits and Vegetables.

Application No. 19905.

H. H. McElroy, L. N. Bradshaw, E. C. Pierre
and T. E. Jeffrey, for applicants.

BY THE COMMISSION:

O P I N I O N

This application was filed April 8, 1935, by F. W. Gomph, Agent on behalf of The Atchison, Topeka and Santa Fe Railway Company, Southern Pacific Company, The Western Pacific Railroad Company, Pacific Electric Railway Company, San Diego and Arizona Eastern Railway Company, Los Angeles & Salt Lake Railroad Company, Sacramento Northern Railway, and Tidewater Southern Railway Company. Under date of April 18, 1935, it was amended by striking from Exhibit "A" the note on page 2 of the Exhibit, which note follows paragraph (c) of the conditions. At the same time the Modesto & Empire Traction Company was added as one of the carriers. Under date of May 2, 1935, the application was further amended to include the Great Northern Railway Company, Visalia Electric Railroad Company, Northwestern Pacific Railroad Company and Petaluma and Santa Rosa Railroad Company.

A public hearing was held before Examiner Geary at San Francisco on May 6, 1935, and the matter submitted.

The application seeks authority under Section 63 of the Public Utilities Act to change certain rules and practices appearing in carriers' various tariffs governing the diversion and reconsignment of fruits and vegetables in carloads, as set forth in Exhibit "A" attached to and made a part of the application.

The reasons and facts given as a justification for the proposed changes are clearly illustrated by the application, to wit:

"These proposed rules and charges are those promulgated by the National Diversion and Reconsignment Committee and are being published for application on interstate traffic in Western Classification territory effective June 1, 1935. It is the desire of the carriers to maintain intrastate rules and charges on a parity with those applicable on interstate traffic.

"Increases occur in proposed Rules 5 and 6. Our present rules provide for diversion or reconsignment of fresh fruits and vegetables (except potatoes) any number of times without charge. Our proposed rules prescribe three diversions or reconsignments without charge, the fourth to be charged at \$2.70 per car, the fifth and those subsequent thereto, \$6.30 per car. However, attention is invited to Exception 1 of Rule 6 wherein provision is made that a change in the name of the consignee without additional movement of the car and one change in destination or route before arrival of the car at first billed destination will not be counted as a diversion or reconsignment. This practically gives the shipper five reconsignments or diversions before any charges are made for such privilege."

The proposed rules have had wide publicity. Hearings were held by the Interstate Commerce Commission throughout the United States, and among other cities at San Francisco on July 6, 1934, and the views of both shippers and consignees obtained. The establishment of these uniform rules has been given the approval of the Federal Coordinator who in January, 1934, requested that the Interstate Commerce Commission take the necessary steps to prevent excessive and unlimited free diversions and under authority of the Interstate Commerce Commission these rules, as heretofore stated, will become effective June 1, 1935, for interstate traffic in this western

classification territory.

No protestants appeared at the hearing although notices were mailed to all important shippers. Applicants' witnesses testified they had canvassed interested parties and found no objections; in fact, important shippers expressed a desire for the new rules because they make for uniformity between interstate and intrastate traffic, and also due to the fact that there is very little diversion required between points within the State of California.

We find that the application has been justified and the changes in the items and rules will be authorized effective not earlier than June 1, 1935.

O R D E R

The Atchison, Topeka and Santa Fe Railway Company, Southern Pacific Company, The Western Pacific Railroad Company, Pacific Electric Railway Company, San Diego and Arizona Eastern Railway Company, Los Angeles & Salt Lake Railroad Company, Sacramento Northern Railway, Tidewater Southern Railway Company, Modesto & Empire Traction Company, Great Northern Railway Company, Visalia Electric Railroad Company, Northwestern Pacific Railroad Company and Petaluma and Santa Rosa Railroad Company having applied to this Commission for authority to change certain rules and regulations governing the reconsignment of fresh fruits and vegetables in carloads as described in the tariffs and as per Exhibit "A" attached to and made a part of the application, hearings having been held, and basing this order on the findings and conclusions in the opinion herein,

IT IS HEREBY ORDERED that the applicants are hereby authorized to cancel the existing rules and in lieu thereof to publish in their respective tariffs the rules and regulations as set forth in Exhibit "A" of the application.

IT IS HEREBY FURTHER ORDERED that the tariffs may be made

effective on less than statutory notice but not earlier than June 1, 1935.

Dated at San Francisco, California, this 13th day of May, 1935.

Leon C. Whelan

M. A. C.

M. B. Herring

M. J. Herring

Frank R. Herring

Commissioners.