Decision No. <u>2021</u>3

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment of maximum or minimum, or maximum and minimum rates, rules and regulations of all Radial Highway Common Carriers and Highway Contract Carriers operating motor vehicles over the public highways of the State of California, pursuant to Chapter 223, Statutes of 1935, for the transportation for compensation or hire of any and all commodities and accessorial services incident to such transportation.

In the Matter of the Investigation and Establishment of rates, charges, classifications, rules, regulations, contracts and practices, or any thereof, of Common Carriers of property

BY THE COMMISSION:

FIRST SUPPLEMENTAL ORDER MODIFYING DECISION NO. 30370 AND ORDER DENYING PETITIONS FOR REHEARING

ORIGIMAL

Case No. 4088

Part "U"

Part "V"

Petitions for rehearing, reconsideration, modification and oral argument in connection with Decision No. 30370, dated November 29, 1937, in the above entitled proceedings have been filed by Hammond Shipping Company, Ltd. and Pacific Coastwise Conference; by The Atchison, Topeka and Santa Fe Railway Company, Western Pacific Railroad Company, Southern Pacific Company and their affiliated carriers; by Pacific Freight Lines and Keystone Express System; by Gladding, Mc Bean & Co; and by C.J. Hickey. The Commission has carefully considered each of said petitions and each and every allegation therein contained and is of the opinion that no good cause for the granting thereof is therein made to appear.

The Commission is of the opinion, however, that the circumstances and conditions attending the transportation of property between points in the territory here involved in coastwise dock to dock vessel service are such as may require different treatment than that accorded other transportation services. Items including insurance, handling charges

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state tolls and increased cost of containers are involved in coastwise vessel transportation. Until such time as it can be ascertained to what extent, if at all, said common carriers by vessel are justified in maintaining rates lower than those maintained by land common carriers, they will be permitted to establish rates lower than those set forth in said Decision No. 30370 by the same amount as their rates now in effect are lower than the corresponding rates of common carriers by railroad. This is not to be understood as a finding that the maintenance by vessel carriers of such rates is necessary or justified.

The Commission is of the further opinion that certain of the provisions of Rules Nos. 20 and 40 should be modified.

Therefore, good cause appearing,

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IT IS MEREBY ORDERED that the said petitions be and they are and each of them is hereby denied.

IT IS HEREBY FURTHER ORDERED that said Decision No. 30370 be and it is hereby amended to permit common carriers by vessel to establish, for the transportation of property in coastwise dock to dock service, rates lower than those provided in Appendix "A" of said decision, by amounts not to exceed those by which their rates now in effect are less than corresponding rates of common carriers by railroad for depot to depot transportation between the same ports.

IT IS HEREBY FURTHER ORDERED that paragraph (o) of Rule No. 20 of Appendix "A" to Decision No. 30370 be and it is hereby amended to include Menlo Park and San Francisco Parcel Delivery as an exempted carrier.

IT IS HEREBY FURTHER ORDERED that paragraph (e) of Rule No. 40 of Appendix "A" to Decision No. 30370 be and it is hereby amended to read as follows:

> "(e) Rates provided in Section 3 shall alternate with the lowest common carrier rates for the same transportation from and to the same points."

In all other respects said Decision No. 30370 shall remain in full force and effect.

The effective date of this order shall be the date hereof. Dated at San Francisco, California, this $\frac{7^{\kappa}}{2}$ day of <u>December</u>, 1937.

Commissioners