

Decision No. ~~39136~~

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 certain railroads (and connecting)
 highway carriers and water lines)) Application No. 24670
 for authority to increase their)
 rates, fares and charges (1942))

SUPPLEMENTAL OPINION AND ORDER

By Decision No. 36341 (44 C.R.C. 683), as amended, in this proceeding, rail lines and certain connecting vessel and highway carriers were authorized to suspend, until a date six (6) months after the legal termination of the war, the increased freight rates and charges they were permitted to establish by Decision No. 35271 (44 C.R.C. 145).¹ This action followed a similar order entered by the Interstate Commerce Commission in Ex Parte 148, Increased Railway Rates, Fares and Charges, 1942.

By its order of April 26, 1946, the Interstate Commerce Commission reopened Ex Parte 148 for further hearing to determine (1) whether the increases under suspension should be reinstated and (2) the extent to which these increases should be changed or modified. On June 20, 1946, and after hearings, the restoration of the increases, with certain modifications, was authorized. It was found that "by reason of already effective increases in wages and in the prices of materials and supplies, and declining volume of freight traffic and revenues from passenger traffic, already experienced or immediately in sight," the increases were justified and necessary.

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With certain exceptions, the increases in question were 6% on property generally and 3% on basic raw products of agriculture, animal products and products of mines.

Authority to restore the corresponding increases on intrastate traffic subject to the same modifications is now sought. A copy of the record in the proceedings before the Interstate Commerce Commission has been made available to this Commission. In view of the conditions confronting the rail lines, it appears that reinstatement of the increases previously authorized, as modified by the Interstate Commerce Commission with respect to rates on iron ore, coal, lignite and coke is justified. Restoration of these increases on less-carload traffic was accomplished in connection with increased rates authorized by Decision No. 39004 of May 21, 1946, in Case No. 4808. A public hearing is not necessary.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that, except as hereinafter provided, California rail lines and connecting vessel and highway common carriers be and they are hereby authorized to restore, and thereafter continue in effect until the further order of the Commission, the increased freight rates and charges established pursuant to the authority granted by Decision No. 35271 of April 14, 1942, in this proceeding, other than those on less-carload traffic upon which increases were authorized by Decision No. 39004 of May 21, 1946, in Case No. 4808.

IT IS HEREBY FURTHER ORDERED that the aforesaid carriers be and they are hereby further authorized to establish increased rates for the transportation of iron ore, anthracite and bituminous coal, lignite, and coke in the amounts set forth in Finding 7 of the report of the Interstate Commerce Commission, dated June 20, 1946, in Ex Parte No. 162, Increased Railway Rates, Fares, and Charges 1946, and Ex Parte No. 148, Increased Railway Rates, Fares, and Charges, 1942.

IT IS HEREBY FURTHER ORDERED that the aforesaid carriers be and they are hereby authorized to publish and file tariffs containing the increased freight rates and charges herein authorized on not less than one (1) day's notice to the Commission and to the public; and to depart from the provisions of Section 24(a) of the Public Utilities Act and from the provisions of Tariff Circular No. 2, to the extent necessary to carry out the effect of the order herein.

IT IS HEREBY FURTHER ORDERED that in all other respects, the provisions of Decision No. 35271, as amended, shall remain in full force and effect.

This order shall become effective on the date hereof.

Dated at Los Angeles, California, this 25th day of June, 1946.

Harold Anderson
Justice F. Caswell
Francis Dean
Robert D. Taylor
Harold P. Hull
 Commissioners.