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Decision No. 42669

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of certain railroads, connecting highway carriers, and connecting water lines for authority to increase freight rates and charges (1947).

Application No. 28744

FOURTH SUPPLEMENTAL OPINION AND ORDER

Prior orders in this proceeding have authorized general increases in railroad freight rates and charges. The increases corresponded with those authorized by the Interstate Commerce Commission for application within western territory in Ex Parte No. 166, Increased Freight Rates, 1947. Intrastate rates for the transportation of iron ore, however, were not permitted to be increased to the same extent as interstate rates, upon representations of Kaiser Company. Kaiser had shown that its Fontana steel mill was competitive with a mill at Geneva, Utah; that the Utah Public Service Commission had not authorized increases on Utah intrastate traffic comparable to the interstate increases; and that adjustment of the Utah rates to the interstate level would remove its objection to like treatment of California rates.

Applicants' verified petition, filed March 17, 1949, shows that the Utah rates on iron ore have now been increased to the Ex Parte 166 level upon authority of the Utah Commission. Permission to make the corresponding adjustment of California rates is sought.

See Decisions Nos. 40892 of November 12, 1947, 41221 of February 17, 1948, 41746 of June 22, 1948, and 42009 of August 31, 1948.

It appears that this is a matter in which a public hearing is not necessary and that the petition should be granted.

Therefore, good cause appearing,

hereby authorized to increase their rates and charges for the transportation of iron ore, as requested; and that the increases herein authorized may be established within sixty (60) days after the effective date hereof on not less than five (5) days' notice to the Commission and to the public, subject, in other respects, to the terms, permissions and conditions set forth in Decision No. 41221 of February 17, 1948, in this proceeding.

This order shall become effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this <u>29</u> day of March, 1949.

Commissioners