

**ORIGINAL**

Decision No. 63972

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Petition of Frank A. Riehle, Jr., dba Pacific Salt & Chemical Company, for suspension and investigation of Tariff 250-A, items 3480-A, 3482-A, 3510-A, 3520-C and 3525-C.	) ) ) ) )	(I&S) Case No. 7304
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Frank A. Riehle, Jr., for Pacific Salt & Chemical Company, petitioner.  
Charles W. Burkett, W. H. Wilson and Frederick G. Pfrommer, for respondents.  
Chickering & Gregory, by John P. MacMeeken and C. Hayden Ames, for Leslie Salt Co., and D. Livengood, for West Coast Salt and Milling Co., interested parties.

O P I N I O N

By petition filed March 20, 1962, Frank A. Riehle, Jr., doing business as Pacific Salt & Chemical Company, sought suspension of certain reduced carload rail rates applicable to the transportation of undried crude salt from various California points to Dominguez and Torrance as set forth in Items 3480-A, 3482-A, 3510-A, 3520-C and 3525-C of Supplement 44 to Pacific Southcoast Freight Bureau, Agent, Freight Tariff 250-A, W. O. Gentle, Tariff Publishing Officer.

By order dated April 10, 1962, operation of the tariff items involved was suspended until August 10, 1962. Public hearing was held before Examiner William E. Turpen at San Francisco on June 13, 1962.

Petitioner alleged, among other things, that the reduced rates here involved are unfair to his company; that they violate Section 453 of the Public Utilities Code in that they grant preference and advantage to salt sources other than his at Trona; and that a comparison of rates now in effect with those under suspension will show a discrimination against his company.

Witnesses for the railroad respondents testified that, except from Trona, there has been little or no movement of undried salt between the points involved; that a new chemical plant which will require large quantities of salt is under construction at Dominguez; and that if the reduced rates are not allowed to become effective the new plant would probably secure its salt from Mexico moving to Los Angeles Harbor by water. These witnesses also introduced evidence showing that the rates in question produce adequate car-mile and ton-mile earnings and compare reasonably with salt rates between other points considering distances involved.

During the course of the hearing it developed that petitioner's objection to the rates under suspension was that he felt that the rate from Trona had not been reduced enough. Petitioner stated that he did not want the suspension to continue. A rate lower than the one under suspension is not at issue in this proceeding. If petitioner feels that the rate is unreasonably high, he may file an appropriate complaint.

We find that the reduced rail carload rates here involved are not unreasonable, discriminatory nor in any other respect unlawful,

and that they are justified by transportation conditions. Our order of suspension will be vacated and the investigation discontinued. In view of the imminent competition of Mexican salt and the withdrawal of petitioner's request for suspension, the order which follows will be made effective in ten days.

It was pointed out during the hearing that an error had been made in publishing Item No. 3510-A by not restricting the rate to Dominguez as being applicable only to undried salt. A witness for the railroads admitted this was an error and would be corrected upon receipt of authority from the Commission. The order which follows will authorize this correction. We find that the increase in rates resulting from this correction in commodity description is justified.

Leslie Salt Co. filed a motion to strike from the petition for suspension certain allegations in paragraphs 5(c) and 5(e) thereof. The allegations involved were not brought into issue during the hearing; the motion will be denied.

O R D E R

Based upon the evidence of record and upon the findings and conclusions set forth in the preceding opinion,

IT IS ORDERED that:

1. The Order of Suspension in Case No. 7304, dated April 10, 1962, is hereby vacated and set aside, and Case No. 7304 is hereby discontinued.

2. Pacific Southcoast Freight Bureau is hereby authorized, on not less than five days' notice to the Commission and to the public, to amend Item No. 3510-A of Supplement 44 to its Freight

Tariff No. 250-A, by restricting the rate to Dominguez so that it applies only on crude undried salt. The authority granted in this paragraph shall expire unless exercised within ninety days after the effective date of this order.

3. The motion by Leslie Salt Co. to strike certain allegations in the petition for suspension is hereby denied.

This order shall become effective ten days after the date hereof.

Dated at San Francisco, California, this 17th day of JULY, 1962.

George F. Grover  
President  
W. H. Mitchell  
W. H. Fox  
Arthur B. Page  
Frederic B. Golikoff  
Commissioners