

Decision No. 70594

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC SOUTHCOAST)
FREIGHT BUREAU under the Shortened)
Procedure Tariff Docket for author-)
ity to increase certain rates and)
charges.)

Shortened Procedure)
Tariff Docket)
Application No. 48245)
(Filed February 11, 1966)

In the Matter of the Investigation)
into the rates, rules, regulations,)
charges, allowances and practices)
of all common carriers, highway)
carriers and city carriers relating)
to the transportation of any and)
all commodities between and within)
all points and places in the State)
of California (including, but not)
limited to, transportation for which)
rates are provided in Minimum Rate)
Tariff No. 2).)

Case No. 5432

And Related Matters.)

Cases Nos. 5435, 5436, 5438,)
5439, 5440, 5441 and 7857)

OPINION AND ORDER

By the above application, Pacific Southcoast Freight Bureau, on behalf of thirty-one California rail carriers listed therein, seeks authority to: (1) increase the switching charges, which are absorbed in whole or in part by the rail carriers, to the same level as switching charges that are not so absorbed; (2) increase the absorptions by amounts that correspond to the sought increases in the switching charges involved; (3) increase the rate on which the net transportation charge is computed from 10 to 11 cents per 100 pounds; and (4) increase the net transportation charge to \$40.00 per car.¹

¹The net transportation charge is that charge, exclusive of switching and other terminal charges, which the line haul carrier must receive for its line haul service after absorbing the whole or any part of the connecting carrier's switching charge. The current net transportation charges that apply in connection with the principal switching services are \$26.87 and \$35.03 per car for single line and joint line movements, respectively.

Switching charges incidental to foreign line haul movements were the same for the particular service involved whether or not such charges were absorbed in whole or in part by the railroads but this rate relationship was changed when increases were authorized on switching charges that were not subject to absorptions. Applicant states that the proposed increases in the switching charges would be in the interest of tariff simplification as one switching charge would apply for the same service instead of two as at present. It is alleged that increases in such switching charges would not be borne by the shippers inasmuch as corresponding increases in the amounts absorbed by the railroads are also proposed. Applicant declares that the carriers know of no specific instance where the proposed increase in the rate on which the net transportation charge is computed will result in an increase to shippers. According to applicant, the rail carriers aver that the net transportation charge should be increased to \$40.00 per car to conform with the carload minimum charge that is applicable on line haul traffic.

Applicant asserts that the proposed increases in rates and charges would not increase the California intrastate gross revenue, derived either jointly or individually, of any of the rail carriers involved herein by as much as one percent.

The application was listed on the Commission's Daily Calendar of February 14, 1966. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that the increases in rates and charges as proposed in this application are justified. A public hearing is not necessary. The

Commission concludes that the application should be granted and that other common carriers which publish and maintain such rail rates and charges for the transportation services involved herein should be directed to amend their tariffs accordingly.

IT IS ORDERED that:

1. Pacific Southcoast Freight Bureau is hereby authorized, for and on behalf of the carriers shown in Appendix A attached to Application No. 48245, to increase the rates and charges as specifically proposed in said application.

2. Tariff publications authorized to be made by common carriers by railroad as a result of the order herein may be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and to the public.

3. Common carriers maintaining, under outstanding authorizations permitting the alternative use of rail rates, rates and charges below the specific minimum rate levels otherwise applicable for the transportation involved herein, are hereby authorized and directed to increase such rates and charges, on not less than ten days' notice to the Commission and to the public, to the levels of the rail rates and charges established pursuant to Ordering Paragraph 1 hereof, or to the levels of the specific minimum rates, whichever are lower; and that such adjustments shall be made effective not earlier than the effectiveness of the increased rail rates and charges and not later than September 1, 1966.

4. Common carriers, in establishing and maintaining the rates and charges authorized hereinabove, are hereby authorized to depart from the provisions of Section 460 of the Public Utilities Code to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding

authorizations are hereby modified only to the extent necessary to comply with this order; and schedules containing the rates and charges published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

5. The authority granted in Ordering Paragraph 1 hereof shall expire unless exercised within ninety days after the effective date of this order.

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

Dated at San Francisco, California, this 19th day of April, 1966.

President
George E. Hoover

William B. Bennett

Augusta

Commissioners

Commissioner Frederick B. Holoboff, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.