

Decision No. 74508

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)	
B. B. MAURER, AGENT, for authority)	Application No. 50324
to increase Demurrage Charges on)	(Filed June 17, 1968)
California Intrastate traffic com-)	
mensurate with Interstate Demurrage)	
Charges.)	

OPINION AND ORDER

By this application, B. B. Maurer, Agent, Trunk Line - Central Territory Railroads Tariff Bureau, on behalf of California rail carriers, seeks authority, on one day's notice, to amend the average agreement provisions of his demurrage rule applicable to California intrastate traffic to correspond with revisions in the rule, which became effective July 1, 1968, on interstate traffic and intrastate traffic in various states other than California.¹

The current rule provides that one credit will be allowed for each car released before the expiration of the first 24 hours of the 48-hour free-time period permitted for loading or unloading rail cars and that no more than four credits may be applied in cancellation of debits on any one car. The rule further provides that one debit per car per day or fraction thereof shall accrue each of the first four days following the expiration of the free-time period, that

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See Rule 9 in Item 940-A in Supplement 1 to Freight Tariff 4-I issued by B. B. Maurer, Agent.

the total number of applicable credits will be deducted from the total number of debits at the end of the calendar month and that \$5.00 per debit will be charged for the remaining debits. Applicant proposes to amend the rule by providing that the total number of credits shall be deducted from the total number of debits at the ratio of two credits for one debit and that no more than eight credits may be applied in cancellation of debits on any one car.

Applicant states that the detention of cars by shippers beyond the free time of 48 hours has been increasing in recent years and that the proposed rule amendment would reduce such detention time. Applicant alleges that its proposal is one which was used by the Interstate Commerce Commission during and after World War II as a means for reducing excessive car detention.

According to applicant, only 30 percent of the California traffic comprises intrastate shipments and the proposed rule amendment would not penalize or affect the shipper who releases rail cars within the free time period or the shipper who has occasional or ordinary delays.

Applicant avers that the average net investment per freight car has more than doubled in the past ten years and that the value of the cars alone dictates a need for greater and more efficient use of such equipment. Applicant declares that its proposal is of proven effectiveness and will focus an economic incentive for quicker release of freight cars upon those shippers and consignees who are performing most inefficiently.

The application shows that copies thereof were mailed on or about June 5, 1968, to a substantial list of shippers and

other interested parties in California. The application was listed on the Commission's Daily Calendar of June 18, 1968. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that the proposed rule amendment is reasonable and that increases in charges resulting from the application of such rule amendment are justified. A public hearing is not necessary. The Commission concludes that the application should be granted to the extent indicated in the ensuing order.

IT IS ORDERED that:

1. B. B. Maurer, Agent, on behalf of the rail carriers listed in Appendix A attached to Application No. 50324, is hereby authorized to amend the demurrage rule in his Freight Tariff 4-I as specifically proposed in Exhibit A of said application.

2. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

3. The authority herein granted 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 6th day of August, 1968.

William Symons, Jr.
President
John E. Raftery
William L. Bennett
Attorney
Frederic M. Messer
Commissioners