

ORIGINAL

Decision No. 77666

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application 6665 of PACIFIC SOUTHCOAST)
FREIGHT BUREAU under the Shortened)
Procedure Tariff Docket for authority)
to increase switching charges absorbed)
by line haul carrier in terminal)
tariffs of carriers listed in Appendix)
"A.")

Shortened Procedure
Tariff Docket
Application No. 51991
(Filed June 24, 1970)

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. 5433, 5435, 5436,
) 5438, 5439, 5440, 5441,
) 5603, 5604, 7857 and 8808.

OPINION AND ORDER

By this application, Pacific Southcoast Freight Bureau, on behalf of 33 California rail carriers listed therein, seeks authority to (1) increase switching charges, which are absorbed in whole or in part by the rail carriers, to the same level as switching charges that are not absorbed, and (2) increase the absorptions by amounts that correspond to the sought increases in the switching charges involved. Applicant also requests that the sought increases be made effective October 1, 1970.

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 at present, one for switching charges that are wholly or partially absorbed by the railroads and one for switching charges that are not so absorbed.¹ Applicant alleges that increases in the switching charges would not be borne by the shippers inasmuch as corresponding increases in the amounts absorbed by the railroads are also proposed.

Applicant asserts that the proposed increases would not increase the California intrastate gross revenue of any of the rail carriers involved by as much as one percent.

The application was listed on the Commission's Daily Calendar of June 25, 1970. No objection to the granting of the application has been received.

Commission staff analysis discloses that charges incurred by shippers would not be increased for the switching services involved inasmuch as the proposed increases in the switching charges would be offset by the proposed increases in the amounts to be absorbed by the rail carriers in connection with such switching services. The staff recommends that the application be granted by ex parte order.

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

¹ 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.

application should be granted and that other common carriers, which publish and maintain such rail switching charges and absorptions for the services involved herein, should be directed to amend their tariffs accordingly.

IT IS ORDERED that:

1. Pacific Southcoast Freight Bureau is hereby authorized, on behalf of the carriers shown in Exhibit "A" attached to the application, to increase 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 shall be filed not earlier than the effective date of this order and may be made effective not earlier than October 1, 1970, on not less than ten days' notice to the Commission and to the public.

3. Common carriers maintaining, under outstanding authorizations permitting the alternative use of rail rates, charges below the specific minimum rate levels otherwise applicable for the transportation involved herein, are hereby authorized and directed to increase such charges, on not less than ten days' notice to the Commission and to the public, to the levels of the rail charges established pursuant to Ordering Paragraph 1 hereof, or to the levels of the specific minimum rates, whichever are lower. To the extent such common carriers have maintained such charges at differentials above previously existing rail charges, they are authorized to increase such charges by amounts authorized in paragraph 1 hereof; provided, however, that such increased charges may not be lower than the charges established by the rail lines pursuant to the authority granted in paragraph 1 hereof nor higher than the otherwise

applicable minimum rates. Such adjustments shall be made effective not earlier than the effectiveness of the increased rail charges and not later than January 1, 1971.

4. Common carriers, in establishing and maintaining the 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 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 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 25th day of August, 1970.

Chairman

Commissioners