

Decision No. 79235

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Shortened Procedure Tariff Docket)
Application of The Atchison, Topeka)
and Santa Fe Railway Company for)
authority to increase rates on sand)
from Falda to San Diego, California,)
published in PSFB Tariffs Nos. 278-A)
and 166-H)
And Related Matters)

Shortened Procedure
Tariff Docket
Application No. 52681
(Filed June 11, 1971)

Cases Nos. 5432 and 5437

OPINION AND ORDER

The Atchison, Topeka and Santa Fe Railway Company is a common carrier of property by railroad in intrastate and interstate commerce in California. By this application, it seeks authority to increase its rates on sand (except moulding sand) from Falda to San Diego from (1) 7 3/4 cents per 100 pounds in open or closed cars, (2) 141 cents per net ton in open cars and (3) 146 cents per net ton in closed cars to 16 cents per 100 pounds in open or closed cars.¹ Applicant also requests authority to increase to 100,000 pounds the minimum weight of 80,000 pounds, which governs the involved rates that are currently in effect.

¹ The current rates are published in Item 7880-G, Supplement 231, Pacific Southcoast Freight Bureau Freight Tariff 278-A and Item 5965, Pacific Southcoast Freight Bureau Freight Tariff 166-H. The proposed rates would be increased to 17 cents per 100 pounds under the provisions of Tariff of Increased Rates and Charges X-267-series.

Applicant's Assistant Manager of Pricing asserts that during the year 1970, the railroad moved 8,713 tons of sand from Falda to San Diego in 174 cars averaging slightly in excess of 100,000 pounds per car and producing revenue of approximately \$77.50 per car. He contends that the average per-car revenue of \$77.50 for the actual 51-mile haul is not sufficient to cover the cost of handling.

Applicant avers that increases resulting from the proposal herein would not increase its California intrastate gross revenue by as much as one percent.

Applicant alleges that the authority herein sought was publicized in the Weekly Traffic Bulletin and that a copy of the application was mailed to Ottawa Silica Company, Ottawa, Illinois, the only shipper involved, on or about June 9, 1971. The application was listed on the Commission's Daily Calendar of June 14, 1971. No objection to the granting of the application has been received. The shipper has stated that it recognizes the carrier's cost problem and will not stand in the way of increasing the rate to a compensatory level.

Commission staff analysis indicates that the existing rates are not compensatory and that the proposed rates would not be excessive. The staff recommends that the application be granted by ex parte order.

In the circumstances, it appears and the Commission finds, that increases resulting from publication of the rates and provisions as proposed in the application are justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. The Atchison, Topeka and Santa Fe Railway Company is hereby authorized to have increased rates and provisions published in Pacific Southcoast Freight Bureau Freight Tariffs 166-H and 278-A as specifically proposed in the 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 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 below the specific minimum rate levels otherwise applicable for the transportation involved herein, are hereby authorized and directed to increase such rates, on not less than thirty days' notice to the Commission and to the public, to the level of the rail rates established pursuant to Ordering Paragraph 1 hereof, or to the level of the specific minimum rates, whichever is lower. To the extent such common carriers have maintained such rates at differentials above previously existing rail rates, they are authorized to increase such rates by amounts authorized in paragraph 1 hereof; provided, however, that such increased rates may not be lower than the rates established by the rail lines pursuant to the authority

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granted in paragraph 1 hercof nor higher than the otherwise applicable minimum rates. Such adjustments shall be made effective not earlier than the effectiveness of the increased rail rates and not later than thirty days after the effectiveness of said increased rail rates.

4. Common carriers, in establishing and maintaining the rates 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 published under this authority shall make reference to the prior orders authorizing long- and short-haul departures and to this order.

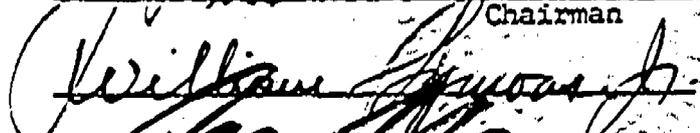
The authority granted herein shall expire unless exercised within ninety days after the effective date of this order.

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

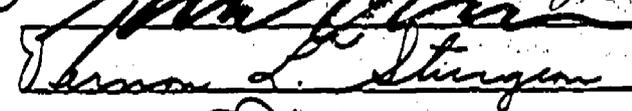
Dated at San Francisco, California, this 27th day of November, 1971.



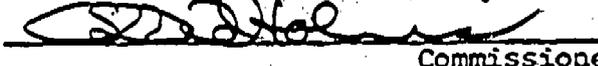
 Chairman



 Commissioner



 Commissioner



 Commissioners