

ORIGINALDecision No. 82308

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of Southern Pacific Transportation)	Application No. 54331
Company for Authority to Pay)	(Filed September 18, 1973)
\$4,470.31 Reparation and Waive)	
Collection of \$166.81 Undercharges.)	

OPINION AND ORDER

By this application, Southern Pacific Transportation Company seeks authority to pay \$4,470.31 reparation, without interest, to Standard Oil Company of California and to waive collection of undercharges from that company in the amount of \$166.81 in connection with the switch movement of 63 tank car shipments of molten sulphur from the Standard Oil Company plant at El Segundo to the Allied Chemical Corporation plant in said city.

According to applicant, Item 3271 of Southern Pacific Transportation Company's Tariff 230-K sets forth a switching charge at El Segundo of \$30.71 per car, at the Ex Parte 267-B level, for shipments of acid sludge and sulphuric acid, in tank cars furnished by shipper, from any location within the yard of Allied Chemical Corporation to any location within the yard of the Standard Oil Company. Applicant avers that Standard Oil Company requested that the rail members of Pacific Southcoast Freight Bureau include molten sulphur in the aforementioned tariff item but such request was denied after it was determined that the charge of \$30.71 per car was below the cost of performing the service.

Applicant points out that the establishment of a switching charge at El Segundo of \$70.00 per car, at the Ex parte 267-B level, was sought under Pacific Southcoast Freight Bureau Proposal 1021;

that the proposal was publicized in the Weekly Traffic Bulletin of June 17, 1972; that no objections to the proposal were made by any of the interested parties; and that the proposed switching charge was approved by the Freight Traffic Committee of the Pacific Southcoast Freight Bureau on December 14, 1972.

Applicant declares that the approved switching charge, which would have reduced the charge for the service in question from approximately \$140.00 per car to \$70.00 per car, was not published for the account of Southern Pacific Transportation Company because a change in the operation of the Standard Oil Company plant obviated the necessity for further switching movements of the involved commodities. Applicant states that its proposal for reparation and collection of the undercharges represents the difference between the charges in effect for the switching services performed at El Segundo during the period, June 1, 1972 to December 22, 1972, and those which would accrue under the approved switching charge of \$70.00 per car. Applicant asserts that its study of the switching service in question indicates that the approved switching charge is sufficiently above out-of-pocket costs as to be considered reasonably compensatory.

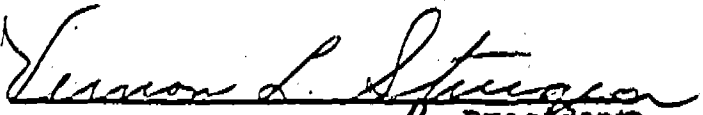


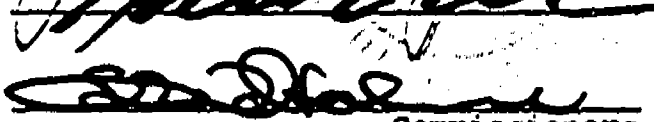
In view of the circumstances cogent to this proceeding and, in particular, to the action of Pacific Southcoast Freight Bureau which resulted in the reduction of the switching charges from \$140.00 to \$70.00 per car, the Commission finds that the reparation and waiver of the undercharges are justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that Southern Pacific Transportation Company is hereby authorized to pay the amount of \$4,470.31 reparation, without interest, and to waive collection of undercharges in the amount of \$166.81, for the account of Standard Oil Company of California, in connection with 63 tank car shipments

of molten sulphur shipped within El Segundo from the plant of Standard Oil Company of California to the plant of Allied Chemical Corporation over SP-AT&SF joint trackage and switched by Southern Pacific Transportation Company during the period from June 1, 1972, to December 22, 1972, as set forth in Exhibit No. 1 attached to the application.

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

Dated at San Francisco, California, this 8th day of January, 1974.


President



Commissioners