

LTC

ORIGINAL

Decision No. 82854

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application Under the Shortened)
Procedure Tariff Docket to amend)
demurrage rules in Tariff 4-J of)
Agent B. B. Maurer.)

Shortened Procedure
Tariff Docket
Application No. 54693
(Filed February 26, 1974)

OPINION AND ORDER

By this application, B. B. Maurer, Agent, on behalf of the railroads operating in California,¹ seeks authority to amend the "average agreement" demurrage provisions of his Freight Tariff 4-J on California intrastate traffic by eliminating therefrom cars used in intra-plant switching service.²

Applicant avers that railroad-owned freight cars are frequently appropriated by industries for local intra-plant switching movements from one location to another within the basic confines of a single industry. Applicant contends that such services are time consuming and detrimental to efficient freight car utilization and the switching charges received for such services do not adequately compensate the carriers for the car hire charges and transportation involved in these intra-plant movements.

¹The railroads are listed in Exhibit A attached to the application.

²Under the "average agreement" demurrage provisions, one credit is allowed for each car released before the expiration of the first 24 hours of free time and a maximum of four credits may be applied in cancellation of debits accruing on any one car. After the expiration of 48 hours free time, one debit per car per day is charged for each of the first four days. At the end of the calendar month, the total number of credits is deducted from the total number of debits and the charge per debit is applied only if there is a remainder of debits. The present and proposed "average agreement" demurrage provisions are set forth in detail in Exhibit B attached to the application.

Applicant states that amendments of the "average agreement" demurrage provisions in question have been authorized by the Interstate Commerce Commission for application on interstate traffic including such traffic from, to and within California since August 13, 1973. Applicant alleges that the proposed intrastate tariff amendments would encourage industries to expedite the loading and unloading of intra-plant shipments and would reduce such intra-plant switching service to an absolute minimum. Applicant declares that such amendments would promote better freight car utilization and establish uniformity in the application of the interstate and intrastate "average agreement" demurrage provisions for the transportation services in question.

Applicant asserts that increases resulting from the proposal herein would not increase the California intrastate gross revenues of any of the involved carriers by as much as one percent.

The application was listed on the Commission's Daily Calendar of February 28, 1974. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that amendments of the "average agreement" demurrage provisions, as proposed, are justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. B. B. Maurer, Agent, on behalf of the carriers listed in Exhibit A attached to the instant application, is hereby authorized to publish in his Freight Tariff 4-J amended "average agreement" demurrage provisions as specifically proposed in 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

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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 15th day of May, 1974.

President
William J. Sturgeon, Jr.

Vernon L. Sturgeon

John A. Sturgeon

John A. Sturgeon
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.