

Decision No. 83101**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Railroads,)
 Members of Pacific Southcoast)
 Freight Bureau, Pursuant to)
 Section 496 of the Public)
 Utilities Code.)

Application No. 54799
 (Filed April 10, 1974)

OPINION AND ORDER

By this application, thirteen railroad common carriers of property seek Commission approval under Section 496 of the Public Utilities Code¹ of the provisions of the agreement creating the Pacific Southcoast Freight Bureau (PSFB) insofar as they relate to procedures of that bureau for the joint consideration, initiation or establishment of rates, fares, classifications, divisions, allowances or charges (including charges between carriers and compensation paid or received for the use of facilities or equipment), or rules and regulations pertaining thereto on intrastate traffic between points within California.²

¹ Section 496 was added to the Public Utilities Code effective January 1, 1974. It exempts warehousemen, highway carriers, rate bureaus and shippers from antitrust statutes when their rate making processes are operated under agreements approved by the Commission.

² The railroad common carriers are Southern Pacific Transportation Company, San Diego & Arizona Eastern Railway Company, Northwestern Pacific Railroad Company, Petaluma and Santa Rosa Railroad Company, Holton Inter-Urban Railway Company, Visalia Electric Railroad Company, The Atchison, Topeka and Santa Fe Railway Company, Sunset Railway Company, The Western Pacific Railroad Company, Sacramento Northern Railway, Tidewater Southern Railway Company, Union Pacific Railroad Company and The Denver and Rio Grande Western Railroad Company. Though the last named carrier does not operate in California, it has joined in the application because it is a party to the agreement creating Pacific Southcoast Freight Bureau.

Applicants state that PSFB is one of the several regional bureaus created in the Western Railroad Traffic Association by an agreement among applicants and the other western railroads entitled "Western Railroad Traffic Association Articles of Organization and Procedure," a copy of which is attached to the application as Exhibit 1. Applicants declare that the agreement was approved by the Interstate Commerce Commission for application on interstate traffic on October 3, 1949, in Western Traffic Association-Agreement 276-I.C.C. 183 and the provisions relating specifically to PSFB are found in Article X, pages 62-69, of said agreement.

Applicants aver that PSFB performs the following functions for the railroads:

(a) Compilation, publication and distribution of freight tariffs and work incidental thereto, including applications to the Interstate Commerce Commission and state commissions where special authority from the Interstate Commerce Commission or the state commissions is necessary for tariff changes; issuance of publication notices, mailing of tariffs to railroads and shippers and billing for tariff supplies. This covers all tariff changes involved within PSFB territory authorized by PSFB Freight Traffic Committee or individual PSFB member lines and all tariff changes covering all traffic between PSFB and North Pacific Coast Freight Bureau (NPCFB) authorized by the NPCFB-PSFB Joint Freight Traffic Committee or individual members thereof.

(b) Issuance, publicizing and distribution of all PSFB docket proposals and related data, including notices of disposition thereof, to railroads and interested shippers; preparation and distribution of meeting docket lists.

(c) Issuance, publicizing and distribution of joint NPCFB-PSFB docket proposals and related data covering traffic

between PSFB and NPCFB territories, including notices of disposition, to railroads and interested shippers; preparation and distribution of NPCFB-PSFB joint meeting docket lists on an alternation basis with NPCFB.

(d) Distribution of publicized PSFB rate proposals and all joint NPCFB-PSFB dockets to shippers.

(e) Conducting regular monthly and special meetings of PSFB Freight Traffic Committee, public hearings and Executive Committee meetings, including joint NPCFB-PSFB meetings.

(f) Issuance and distribution of rate advices covering all tariff changes authorized by PSFB Freight Traffic Committee or PSFB individual lines involving traffic within PSFB territory, and all tariff changes authorized by the joint NPCFB-PSFB Freight Traffic Committee, or PSFB or NPCFB individual lines covering all traffic between PSFB and NPCFB territories.

(g) Issuance and distribution of Section 22 Quotations (Interstate) and state quotations to the federal, state and municipal governments and correspondence relating thereto.

(h) Preparation and filing of 4th Section applications with the Interstate Commerce Commission and corresponding applications with the state commissions for relief from the long- and short-haul provisions of such governmental agencies. Generally, the bureau performs reproduction, assembling and filing services only; justification and supporting data for such applications are usually furnished by member lines.

Applicants allege that they do not seek to broaden the activities of PSFB but they desire to insure that the California Public Utilities Commission is fully apprised of the facts pertinent to Section 496 of the Public Utilities Code and to demonstrate their concurrence in the legislative policy manifested therein by making the portion of the agreement relating to PSFB a matter of public record in California.

The application was listed on the Commission's Daily Calendar of April 12, 1974. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that:

1. The agreement set forth in Article X, pages 62-69, of "Western Railroad Traffic Association Articles of Organization and Procedure" attached to the application as a portion of Exhibit 1 is consistent with the statutory provisions and within the scope of Section 496 of the Public Utilities Code.
2. Said agreement does not pertain to pooling or division of traffic, service or earnings.
3. Said agreement provides an opportunity for shippers to be informed and to be heard concerning rate proposals in which they may have an interest.
4. Said agreement provides the free and unrestrained right of individual carriers to take independent action, either before, during or after, and contrary to, any determination arrived at under any procedure provided therein.
5. A similar agreement has been approved by the Interstate Commerce Commission for interstate commerce.
6. The approval of said agreement will not in any way adversely affect the public interest.
7. The agreement and the rules and procedures provided for the operation thereof are fair and reasonable and not contrary to public policy.

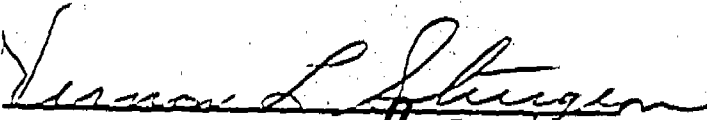
IT IS ORDERED that the agreement set forth in Article X, pages 62-69, of "Western Railroad Traffic Association Articles of Organization and Procedure" attached to Application No. 54799 as a portion of Exhibit 1 is hereby approved insofar as it applies to the following members of Pacific Southcoast Freight Bureau: Southern Pacific Transportation Company, San Diego & Arizona Eastern Railway Company, Northwestern Pacific Railroad Company,

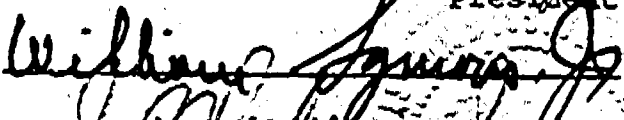
A. 54799 - HK

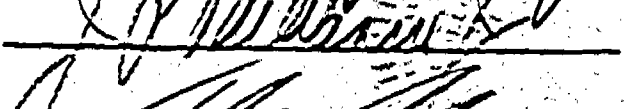
Petaluma and Santa Rosa Railroad Company, Holton Inter-Urban Railway Company, Visalia Electric Railroad Company, The Atchison, Topeka and Santa Fe Railway Company, Sunset Railway Company, The Western Pacific Railroad Company, Sacramento Northern Railway, Tidewater Southern Railway Company, Union Pacific Railroad Company and The Denver and Rio Grande Western Railroad Company in connection with California intrastate traffic.


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

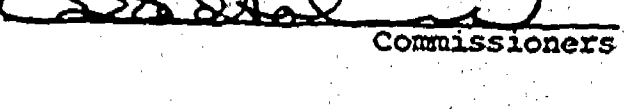
Dated at San Francisco, California, this 9th day of July, 1974.



President








Commissioners