

LTC *

Decision No. 83534

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of C. R. Nickerson,)
Agent and Attorney, for and on)
behalf of Howard Terminal Rail-)
way, by virtue of Power of)
Attorney to said Agent, under)
Shortened Procedure Tariff)
Docket, to issue Howard Terminal)
Railway, Terminal Tariff No. 2-D)
I.C.C. No. 17, cancelling)
Terminal Tariff No. 2-C, I.C.C.)
No. 16 (also filed with the)
Public Utilities Commission of)
the State of California) to)
increase rates and charges to the)
extent outlined in Exhibit "A")
attached hereto and made a part)
of this application.)

AND)

For authority to depart from the)
terms of Section 454 of the)
Public Utilities Code when)
accomplishing proposed publica-)
tion.)

And Related Matters)

Shortened Procedure
Tariff Docket
Application No. 55078
(Filed July 31, 1974)

Cases Nos. 5432 and 5441

OPINION AND ORDER

By this application, C. R. Nickerson, Agent, seeks authority, on behalf of Howard Terminal Railway (Howard), to increase the charge from \$6.56 to \$10.50 per car for switching rail gondola cars of scrap iron in Oakland between shear, stockpile or shredder within yard limits of Howard, or Schnitzer Steel Products Company, and wharves within yard limits of Howard.¹

Applicant states that the aforementioned switching charge was established many years ago at a reduced level in comparison with the other switching charges in Howard's terminal tariff to encourage

¹The switching charge is set forth in Item 10 of Howard's Terminal Tariff No. 2-C.

(SPT) A. 55078, C. 5432 & 5441 - LTC

intrayard switching of a substantial movement of scrap iron in gondolas. Applicant alleges that the reduction was possible at that time only because of the large volume of scrap iron which was received from suppliers outside of Oakland. Applicant contends that Howard's records indicate that the number of cars per day switched between the switching yards involved has decreased in excess of 80 percent during the last two or three years and the reduction in volume has reached a point where Howard can no longer maintain the service under the present switching charge.

Applicant avers that the switching charge in question has been in effect since December 4, 1972, and the proposed switching charge is generally lower than the switching charges of other rail carriers for similar services.² Applicant declares that, since the above date, the costs of labor, fuel and materials have increased far in excess of the increased revenue which would be generated by the proposal herein.

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

Applicant states that Howard has discussed the proposed increase in the switching charge with the principal users of the service and copies of the application were mailed to Oakland Chamber of Commerce, Southern Pacific Transportation Company, The Atchison Topeka and Santa Fe Railroad and Western Pacific Railroad Company. The application was listed on the Commission's Daily Calendar of August 2, 1974. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that increases resulting from the proposal herein are justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

²Since December of 1972, increases have been authorized to the other rail carriers under the following ex parte proceedings: X-281-B, X-295-A, X-299-A, X-301-C and X-303.

(SPT) A. 55078, C. 5432 & 5441 - LTC

IT IS ORDERED that:

1. C. R. Nickerson, Agent, on behalf of Howard Terminal Railway, is authorized to publish a revised switching charge in Howard Terminal Railway, Terminal Tariff No. 2-D as specifically proposed in the application.

2. Tariff publications authorized to be made as a result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than the fifth day after the effective date of this order on not less than five 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 five 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 thirty days after the effectiveness of said increased rail charges.

4. Common carriers, in establishing and maintaining the charge 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


(SPT) A. 55078, C. 5432 & 5441 - LTC


authorizations are hereby modified only to the extent necessary to comply with this order; and schedules containing the charge 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 herein shall expire unless exercised within ninety days after the effective date of this order.

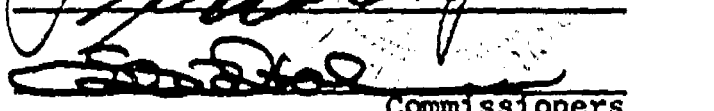
This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 1st day of October, 1974.



President






Commissioners