

ORIGINALDecision No. 84050

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application 8054 of PACIFIC
SOUTHCOAST FREIGHT BUREAU under
the Shortened Procedure Tariff
Docket for authority to amend
Item 6013 as outlined in Exhibit
"A" hereof to PSFB Tariff 300-A.

Shortened Procedure
Tariff Docket
Application No. 55310
(Filed November 14, 1974)

And Related Matter

Case No. 5432

OPINION AND ORDER

By this application, Pacific Southcoast Freight Bureau (PSFB), on behalf of certain rail carriers, seeks to: (1) cancel the 50,000-pound rates on butter from San Francisco, Sacramento, East Modesto, Fresno and Exeter to Los Angeles and from Fresno and Exeter to San Francisco; (2) increase the 80,000-pound rates on butter from and to the aforementioned points; (3) cancel The Western Pacific Railroad Company's participation in the 80,000-pound rate from Sacramento to Los Angeles; and (4) add the participation of Southern Pacific Transportation Company and Union Pacific Railroad Company in the involved rates.¹

¹Presently single 50,000-and 80,000-pound rates apply to this transportation regardless of distance as set forth in Item 6013 of PSFB Tariff 300-A. The proposed rates in Exhibit "A" attached to the application consider the distances involved and the increases range from 28 to 82 percent.

Applicant states that the above 50,000-pound rates are obsolete as all movements of butter from and to the points in question have consisted of loads exceeding 80,000 pounds and such fact has been verified with the shippers. Applicant avers that the present rates do not produce adequate earnings to cover the variable costs in most instances. Applicant alleges that the Western Pacific Railroad Company incurs car rental expenses in furnishing refrigerator equipment for the movement of butter from Sacramento to Los Angeles and its division of the revenue under the proposed rate for the short-haul service it would perform from Sacramento to the connecting carrier at Stockton would not be compensatory.

Applicant declares that the United States Department of Agriculture is responsible for payment of the freight charges in connection with shipments moving under the rates in question and that department has indicated in correspondence between it and The AT&SF Railroad Company that it is agreeable to publication of the rates as proposed. Copy of this correspondence is attached to the application.

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

The application was listed on the Commission's Daily Calendar of November 15, 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.

IT IS ORDERED that:

1. Pacific Southcoast Freight Bureau is hereby authorized, on

behalf of the involved rail carriers, to publish amendments to its Tariff 300-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 made effective not earlier than five days 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 rates and not later than thirty days after the effectiveness of said increased rail rates.

4. Common carriers, in establishing and maintaining the charges 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 charges 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 Diego, California, this 4th day of February, 1975.

Vernon L. Stinger
President
William J. Brown
Leonard J. Brown
Commissioners