

Decision No. 84692**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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|-------------------------------------|--------------------------|
| Application 8160 of PACIFIC SOUTH-) | |
| COAST FREIGHT BUREAU, Agent, under) | |
| the Shortened Procedure Tariff) | |
| Docket for authority to increase) | Shortened Procedure |
| present rates on Silica Sand and) | Tariff Docket |
| cancel others in various Items of) | Application No. 55642 |
| PSFB Tariffs 166-I and 278-B, as) | (Filed April 18, 1975) |
| outlined herein.) | |
| And Related Matters) | Cases Nos. 5437 and 9819 |

OPINION AND ORDER

By this application, Pacific Southcoast Freight Bureau, seeks authority, on behalf of The Atchison, Topeka and Santa Fe Railway Company (Santa Fe), Southern Pacific Transportation Company (Southern Pacific) and Union Pacific Railroad Company (Union Pacific), to establish increased rates on silica sand, in bulk, in covered hopper cars from Talica and Weisel to various Southern California destinations and to apply the current rates from and to these points only on shipments in box cars not exceeding 52 feet 8 inches in length (inside measurement). Applicant also requests authority to cancel certain rates on gravel, sand and stone from Corona, Falda, Talica and Weisel to various points.

Applicant states that the aforesaid railroads have been constantly reviewing their California intrastate rates in order to eliminate obsolete publications and have found that the involved rates on silica sand are not compensatory for the services provided. Applicant avers that the sought cancellation of rates is in the interest of economy and tariff simplification as there is no movement of rock, sand and stone between the aforementioned points.

Applicant declares that the proposal was duly publicized in the February 8, 1975 issue of the Traffic Bulletin. Applicant alleges that the proposed increases were discussed with the two shippers, Crystal Silica Sand Company and Owens-Illinois, Inc. and numerous glass manufacturing companies and the carriers convinced the shippers and receivers of the economic necessity for revising the rates as herein proposed. Applicant anticipates that \$23,533 in additional yearly gross revenue will accrue to the rail carriers with the establishment of the revised rates on silica sand.

Applicant asserts that increases resulting from the proposals herein would not increase the California intrastate gross revenues of Santa Fe, Southern Pacific and Union Pacific by as much as one percent.

The application was listed on the Commission's Daily Calendar of April 21, 1975. Attached to the application as Exhibits C-1, C-2, C-3, C-4 and C-5 are letters from Ottawa Silica Company, Latchford Glass Company, Kerr Glass Manufacturing Corporation, Owens-Illinois, Inc. and Anchor Hocking indicating that they support applicant's proposal. 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 Atchison Topeka and Santa Fe Railway Company, Southern Pacific Transportation Company and Union Pacific Railroad Company, to publish the revised rates 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 charges and not later than thirty days after the effectiveness of said increased rail charges.

4. Common carriers, in establishing and maintaining the charges authorized hereinabove, are hereby authorized to depart from the provisions of Section 461.5 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 Francisco, California, this 22nd day of July, 1975.




President



Commissioner



Commissioner



Commissioners

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.