

By its order dated March 21, 1975, the Interstate Commerce Commission authorized the rail carriers to increase their interstate rate by approximately 7 percent effective April 12, 1975.²

In support of the relief sought applicant common carriers submitted exhibits including a summary of earnings on a depreciated rate basis for the period upon which they base their justification for the increases. Said exhibits also show the amount of additional gross revenues estimated to result from the proposed increases based on the amount of involved traffic handled during the preceding calendar year. The percentage by which such estimated revenues exceed the gross revenues based on the amount of involved traffic handled during the calendar year is less than 6 percent. Though it is anticipated that \$7,300,000 in yearly gross revenue would accrue to the 35 common carriers involved, Exhibits J through J-10 attached to the application indicate that the carriers would still experience losses in excess of \$4,000,000 on California intrastate traffic for the ensuing year under the proposed rates.

The application was listed on the Commission's Daily Calendar of May 7, 1975. No objection to the granting of the application has been received.³

² The effective date of the tariff and Supplements 1, 2, and 3 thereto was postponed from April 12, 1975 to April 27, 1975.

³ Kaiser Steel Corporation filed a protest with the Commission concerning the proposed increase in the trainload rate on iron ore from Ferrum to Kaiser but subsequently withdrew its protest.

In the circumstances, the Commission finds that applicant's proposal is reasonable. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

1. Pacific Southcoast Freight Bureau, on behalf of the common carriers listed in the application, is authorized to establish by appropriate tariff supplement the same increases in California intra-state rates and charges under the same conditions as authorized by order of the Interstate Commerce Commission dated March 21, 1975, in Ex Parte No. 310 and set forth in Tariff of Increased Rates and Charges X-310-A.

2. Tariff publications authorized to be made as a result of the foregoing authority shall be filed not earlier than the effective date of the order and may be made effective not earlier than five days after the effective date hereof on not less than five days' notice to the Commission and to the public, and said authority shall expire unless exercised within sixty days after the effective date of this order. To the extent that departure from terms and rules of General Order No. 125 is required to accomplish such publications, authority for such departure is hereby granted.

3. The authority set forth herein is granted subject to the express condition that applicant and the carriers on whose behalf it is participating herein will never urge before the Commission in any proceeding under Section 734 of the Public Utilities Code, or in any other proceeding, that the opinion and order herein constitute a finding of fact of the reasonableness of any particular rate or charge. The filing of rates pursuant to the authority herein granted constitutes an acceptance by applicant and said carriers as a consent to the condition.

4. Common carriers maintaining, under outstanding authorizations permitting the alternative use of rail rates, rates below the

specific minimum rate levels otherwise applicable are authorized and directed to increase such rates to the level of the rail rates established pursuant to the authority granted in paragraph 1 hereof or to the level of the otherwise applicable, specific minimum rates, whichever is lower. To the extent such common carriers have maintained such rates at differentials above previously existing rail rates, they are authorized to increase such rates by the authority granted in paragraph 1 hereof, provided, however, that such increased rates may not be lower than the rates established by the rail lines pursuant to the authority granted in paragraph 1 hereof, nor higher than the otherwise applicable minimum rates.

5. Common carriers maintaining under outstanding authorizations permitting the alternative use of rail rates, rates based on rail rates which have been changed or cancelled and which are below the specific minimum rate levels otherwise applicable are hereby directed to increase such rates to applicable minimum rate levels and to abstain from publishing or maintaining in their tariffs rates, charges, rules and accessorial charges lower in volume or effect than those established in rail tariffs or the applicable minimum rates, whichever are lower.

6. Tariff publications required or authorized to be made by common carriers as a result of paragraph 4 hereof may be made effective not earlier than the fifth day after the publication by applicant made pursuant to the authority granted in paragraph 1 hereof, on not less than five days' notice to the Commission and to the public; and such tariff publications as are required shall be made effective not later than thirty days after the effective date of the tariff publications made by applicant pursuant to the authority granted in said paragraph 1.

7. Tariff publications required to be made by common carriers, as a result of paragraph 5 hereof, may be made effective not earlier

than the effective date of this order on not less than five days' notice to the Commission and to the public and shall be made effective not later than thirty days after the effective date of this order.

8. In making tariff publications authorized or required by paragraphs 4 through 7, inclusive, common carriers are authorized to depart from the terms and rules of General Order No. 80-Series to the extent necessary to comply with said ordering paragraphs.

9. Applicant and common carriers, in establishing and maintaining the rates authorized hereinabove, are 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 rates published under the authority shall make reference to the prior orders authorizing long- and short-haul departures and to the order.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 5th day of August, 1975.

President
William Lyons

Thomas P. Sturgeon

Leonard

Robert
Commissioners

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.