

Decision No. 90965 OCT 23 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of the Pacific South-)
coast Freight Bureau for Authority)
to Increase California Freight)
Rates and Charges to Cover Fuel)
Increases Between July 9, 1979,)
and September 4, 1979, X-311.)

Application No. 59159
(Filed September 25, 1979)

And Related Matters)

-) Case No. 5432
-) Case No. 5433
-) Case No. 5436
-) Case No. 5437
-) Case No. 5438
-) Case No. 5439
-) Case No. 5440
-) Case No. 5441
-) Case No. 5603
-) Case No. 5604
-) Case No. 7857
-) Case No. 7858
-) Case No. 8808
-) Case No. 9819
-) Case No. 9820

OPINION AND ORDER

Pacific Southcoast Freight Bureau, on behalf of California common carriers^{1/} participating in its tariffs, requests authority to make effective increases to cover fuel cost increases which became effective September 14, 1979, on interstate traffic in Tariff of Increased Rates and Charges X-311.^{2/}

^{1/} The common carriers are listed in Exhibit A attached to the application, and includes all common carrier railroads operating in California.

^{2/} The increase is published in Supplement 24 to the Tariff of Increased Rates and Charges X-311 and Supplement 24 to said tariff is set forth in Exhibit L attached to the application.

Ten of the common carrier applicants have submitted in Exhibits B through K details of their financial positions and their income and expense accounts for the period ending May 31, 1979 (ATSF--ending March 31, 1979).

Exhibit M has been prepared to illustrate increases in fuel expenses and related data on intrastate traffic in support of the requested fuel rate increase. In appealing that this application be granted and made effective immediately, applicants state, "(S)ince September 4 until the date of this application [September 24], the applicants will have irretrievably lost \$82,091 in much-needed revenues."

It is anticipated that the 1.1 percent increase proposed would increase the annual gross revenue of the applicants by \$1,426,820. The proposed increase will bring intrastate freight rates and charges in line with interstate freight rates and charges. The increased freight rates and charges sought herein will be just and reasonable, and are necessary to offset the increasing fuel costs being experienced and, as such, are within the President's wage-price guidelines.

The application was listed on the Commission's Daily Calendar of September 26, 1979. No objection to the granting of the application has been received.

The present application seeks authority to increase, by 1.1 percent, all the charges provided in Decision 90134, dated March 27, 1979, in Applications 58543, 58556, 58623, 58687 and 58691, and 1.2 percent of the 3.6 percent fuel offset increase authorized in Decision 90795, dated September 12, 1979, in Application 59030. (The remaining 2.4 percent continues as a surcharge.) The proposed increase would also apply to the interim increase granted by the Commission on wood chips and sugar beets, and, also whatever increase is finally approved by this Commission on commodity rates of wood chips and sugar beets in pending proceedings.

In the circumstances, the Commission finds that applicant's proposal is reasonable and justified as indicated in the ensuing order. A public hearing is not necessary. The Commission concludes that the application should be granted. Because applicants have shown that a need is necessary for the proposed increased surcharges to offset further increases in fuel costs for railroad operations which have occurred subsequent to July 9, 1979, and are presently being incurred, the effective date of this order should be the date hereof.

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 supplements the same increases in California intrastate rates and charges under the same conditions as previously authorized by orders of the Interstate Commerce Commission for interstate traffic as set forth in Tariff of Increased Rates and Charges - Account Increase in Fuel Costs X-311.

2. Tariff publications authorized to be made as a result of the foregoing authority 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 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 the terms and rules of General Orders Nos. 80-Series and 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 this condition.

4. Common carriers maintaining, under outstanding authorization 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 amounts authorized 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 authorization permitting the alternative use of rail rates, rates based on rail rates which have been changed or canceled 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 tariff 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. 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.

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

The effective date of this order is the date hereof.

Dated OCT 23 1979, at San Francisco, California.

President

Commissioner JOHN E. BRYSON

Present but not participating.

Richard W. Howell

Clare J. ...

Thomas ...
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.