

DECISIONS OF

The Public Service Commission

OF THE

COMMONWEALTH OF PENNSYLVANIA

June 1, 1926, to December 31, 1927

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of the companies are operating or engaged in the business for which it was incorporated. Some preliminary work in the nature of engineering and surveying has been done by certain of the stockholders, but the expense therefor has not been recorded or entered on the books of the companies.

At the hearing and by questionnaire sent to the applicant subsequent to the hearing, the Commission endeavored to obtain from the applicant definite and specific information with respect to the details of contemplated plans for the development of water power in the territory of the companies, manner of financing the project, negotiations for marketing the electricity generated, and the estimated revenues and expenses of the plant in the various stages of its development. The information furnished is indefinite, vague and uncertain, particularly with regard to plans of financing, constructing and operating the proposed development. Many essential details which the applicant was requested to furnish are lacking.

Considering all the evidence, the Commission finds and determines that the applicant has failed to establish that the proposed consolidation and merger of the Lawrence Hydro-Electric Company and Connoquenessing Power Company is necessary and proper for the service, accommodation, convenience and safety of the public. An order will issue refusing the application.

LOUIS COHEN AND SON

vs.

DELAWARE, LACKAWANNA AND WESTERN RAILROAD COMPANY, CENTRAL RAILROAD COMPANY OF NEW JERSEY

LOUIS COHEN AND SON

vs.

DELAWARE, LACKAWANNA AND WESTERN RAILROAD COMPANY, LEHIGH VALLEY RAILROAD COMPANY

COMPLAINT DOCKET Nos. 7119 AND 7120

Railroads—Rates—Reasonableness—Scrap iron.

Upon comparison with other rates in the same general territory and a study of ton-mile and car-mile earnings, the Commission found that the rate collected

for scrap iron was unreasonable and determined what was a reasonable rate for that period.

W. H. Knaake for Complainant.

W. J. Larabee for Respondent.

REPORT BY THE COMMISSION, *April 5, 1927*:

These complaints, which were consolidated for hearing, concern the rate on scrap iron, in carloads, from Stoors Mine, a point on the Delaware, Lackawanna and Western Railroad, to the plant of the complainant at Buttonwood, a suburb of Wilkes-Barre. Complainant's plant is served exclusively by the Pennsylvania Railroad whose switching charges are absorbed by both the Central Railroad Company of New Jersey and the Lehigh Valley Railroad. The shipments in question moved during the period March 12, 1924, to November 12, 1925. It appears that the rate applicable via the Lehigh Valley Railroad was the sixth class rate of 10 cent per 100 pounds, equivalent to \$2.00 per gross ton, as in effect from a point beyond Stoors Mine, and via the Central Railroad of New Jersey the rate was \$1.76 per gross ton, published as a commodity rate. Via this route the sixth class rate was 9 cents per 100 pounds equivalent to \$1.80 per gross ton. The freight charges actually collected were \$2.00 and \$1.80 by the Lehigh Valley and \$1.80 by the Central Railroad.

Complainant introduced in evidence several comparative statements showing the rates in effect on scrap iron in this general territory together with ton-mile and car-mile earnings. Respondents stated that the sixth class rates are generally applied to sporadic shipments.

Subsequently to the period here in question, respondents established the rate of \$1.13 per gross ton on scrap iron and related articles to apply from points on the Winton Branch of the Delaware, Lackawanna and Western Railroad, including Stoors Mine to Wilkes-Barre. At Complaint Docket No. 6935, *Louis Cohen and Son vs. Erie Railroad and Lehigh Valley Railroad*, decided November 30, 1926, we determined \$1.13 per gross ton as the reasonable rate on scrap iron from Dunmore to Wilkes-Barre, during the period August 29 to September 10, 1924. Dunmore is also a point on the Winton Branch from which the same rate has been published by the respondents in this case, as above stated.

Upon all of the facts of record, we conclude and find that the joint through rates of \$2.00, \$1.80 and \$1.76 per gross ton, charged by the respondents for the transportation of scrap iron, in carloads, from Stoors Mine to Wilkes-Barre, during the period March 12, 1924, to November 12, 1925, inclusive, were unjust and unreasonable and that the reasonable rate was \$1.13 per gross ton of 2,240 pounds.

The complaint is sustained. Under the law, as defined in *New York & Pennsylvania Co. vs. N. Y. C. R. R.* 267 Pa. 64, the Commission refrains at this time from consideration of the claim for reparation.

M. D. ADELSON, INC.

vs.

ERIE RAILROAD COMPANY, LEHIGH VALLEY RAILROAD
COMPANY

COMPLAINT DOCKET No. 7113

Rates—Railroad—Reasonableness.

The Commission found a two-line rate unreasonable and ordered it reduced, upon evidence of comparative rates, and on showing that the points of origin were intermediate to others, the rates from which had recently been ordered reduced by the Commission.

W. H. Knaake for Complainants.

W. T. Pierson for Erie Railroad Company and Lehigh Valley Railroad Company.

REPORT BY THE COMMISSION, *April 12, 1927:*

The complainant, a corporation dealing in scrap metals at Pittston, by complaint alleges that the joint sixth class rate equivalent to \$1.80 per ton of 2,240 pounds, collected by the respondents for the transportation of scrap iron, in carloads, from Pittston and Avoca, stations on the Erie Railroad, to complainant's yard at Pittston, served by the Lehigh Valley Railroad, during the period March 25, 1924, to August 9, 1925, inclusive, was unjust and unreasonable. Reparation is asked.

Complainant introduced in evidence by way of comparison two-line rates in effect for comparable distances in the same district of \$1.01, \$1.13 and \$1.39. It was testified by complainants that an effort had been made for several years to have the respondent establish commodity rates for the movements here in question but without success until October 15, 1925, when the rate of \$1.13 was published; this being subsequent to the movement of the shipments involved in this proceeding.

The respondents adduced rates in effect between various points in this