

ANNUAL REPORT  
OF THE  
PUBLIC SERVICE COMMISSION

July 1, 1946

June 30, 1947

1946 - 1947

MISSOURI  
PUBLIC SERVICE COMMISSION

Jefferson City, Missouri

MORRIS E. OSBURN, Chairman

E.L. McClintock  
Kyle D. Williams

Commissioners

Agnes Mae Wilson  
Charles L. Henson

FRED H. CARR  
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

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MORRIS E. OSBURN, Chairman.....Shelbyville  
E.L. McCLINTOCK, Commissioner.....Cape Girardeau  
KYLE D. WILLIAMS, Commissioner.....Albany  
AGNES MAE WILSON, Commissioner.....Trenton  
CHARLES L. HENSON, Commissioner.....Springfield

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FRED H. CARR, Secretary.....Fulton  
JOHN P. RANDOLPH, General Counsel.....St. Joseph  
R. E. DUFFY, Chief Engineer.....Greenfield  
HOMER L. THORP, Chief Accountant.....Shelbyville  
ROY F. REED, Chief Rate Expert.....St. Louis  
CARLE R. NEWBERRY, Supervisor of Motor Bus and Truck  
Department.....Jefferson City

LETTER OF TRANSMITTAL

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January 12, 1948

To His Excellency, Phil M. Donnelly,  
Governor of Missouri.

Dear Sir:

Pursuant to Section 5594, R.S.Mo., 1939, we have the honor to submit herewith the Annual Report of the Public Service Commission of the State of Missouri, which said report contains a full and complete account of its transactions and proceedings for the period from July 1, 1946, to June 30, 1947, inclusive.

Respectfully submitted,

By

Morris E. Osburn  
Chairman

E. L. McIntosh  
Commissioner

Kyle D. Williams  
Commissioner

Agnes Mae Wilson  
Commissioner

Charles L. Hanson  
Commissioner

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Commissioner

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Commissioner

Agnes Mae Wilson  
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Charles L. Harrison  
Commissioner

## HEADQUARTERS AND PERSONNEL

The headquarters of the Public Service Commission are located in the old Federal Building at Jefferson City, Missouri.

On the third floor are located the Legal, Accounting, and Engineering Departments. On the second floor are located the offices of the five Commissioners, the hearing room and the Reporting Department. On the first floor are located the offices of the Secretary of the Commission, and the Bus and Truck Department, with the desk where travel orders may be purchased located adjacent to the foyer, so that those who have business of this nature can be served quickly and without disturbing the other personnel of the department.

Also located on the first floor is the Transportation Rate Department, the Gas, Electricity, Water and Telephone Departments, and the general office of the Commission.

The Commission has succeeded in its determined effort to eliminate delay and make its docket entirely current. Unless the case be one in the nature of a complete audit and appraisal of a utility, or one which requires a great deal of field work, or is awaiting the filing of briefs, it can be heard and the report and order issued within less than thirty days after the case is filed.

In very urgent matters, where proper waivers on notices of hearing are filed, the case can be filed, heard, and the report and order issued on the same date.

The employees of the Commission are all specially trained for the position which they now hold, some have been with the Commission for a considerable number of years and several have attained statewide and nationwide recognition in their fields of work.

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## GENERAL OFFICE

The general office of the Commission consists of the office of the Secretary of the Commission and its deputy, a file clerk, a mail clerk, accounting clerk, two stenographers, a telephone operator, and a machine operator.

The work done in the general office of the Commission involves the filing and processing of all matters pertaining to utilities, railways, buses, trucks, rates, and general correspondence. The Secretary's office receives all correspondence pertaining to Commission matters, and in turn forwards to each department its respective correspondence. The department, with the supervision of the Commissioners, then acts upon the matter and returns the decision of the Commission to the Secretary's office, where it is mailed to all parties of interest. The general office keeps an accurate file of all original orders handed down by the Commission, as well as a duplicate copy file for the convenience of the citizens of Missouri.

The Secretary's office is responsible for the keeping of the docket of the Commission, as well as the notification of all parties that are interested in matters being heard before the Commission. This office also arranges the place of hearing for matters being heard in other parts of the state. The general office staff and the Secretary handle voluminous amounts of filing and correspondence, as well as supplying original records or duplicate copies of records to attorneys, utility representatives, newspaper correspondents, and other parties interested in matters before the Commission.

## LEGAL DEPARTMENT

During the last fiscal year, July 1, 1946 to June 30, 1947, the work of the General Counsel and his staff has been dispatched along the lines of the generally established pattern. Conferring with the Commission and the members of its staff and advising them upon the legal problems that arise is a daily routine that would require volumes to describe in detail.

The statutory mandate that Counsel advise and give opinions to the general public as to their rights under the Public Service Commission Act, and the legal methods and procedure for obtaining same, has been carried out and Counsel and his staff have advised with many individuals or their attorneys as well as municipal and other officials and given them opinions.

The Legal Department has cooperated with other agencies and departments of the state and has advised with the legislature and various of its committees, concerning legislation affecting the Commission and its work and this department prepared several bills for the 64th General Assembly to amend some of the provisions of the Public Service Commission Laws. Senate Bills Nos. 77 and 78 which have been passed and approved and are now in effect were drafted by this department. Also Senate Bill No. 239 which has been passed and approved and provides a new and different method for financing the Commission was worked out in the Legal Department in cooperation with a committee of lawyers representing the utilities to be affected by the bill. The last annual report called to the attention of the Governor the situation existing in the Public Service Commission Laws, whereby the Commission has jurisdiction over street cars and street car corporations but its jurisdiction over urban busses is



quite doubtful and thereby a situation with reference to regulation is created that probably should be remedied. In this connection, at the request of Senator Gibson of Jackson County, Counsel drafted several amendments to that part of the Public Service Commission Laws dealing with the regulation of street cars which amendments were designed to bring urban busses under the same regulation. These bills were introduced by Senator Gibson and the Counsel appeared before a Senate Committee upon a hearing of the bills, but the committee failed to report the bills out.

The Legal Department has cooperated with the Highway Patrol in the enforcement of the Bus and Truck Act. It has frequently been necessary to advise with the Highway Patrol, especially concerning questions that have arisen because of the reciprocity contracts or agreements with other states regarding the license fees of motor carriers operating in interstate commerce. Numerous questions have arisen concerning operations under such contracts which have required interpretations of the contracts by the Legal Department. The Department also devoted considerable time to the making of new contracts with other states in addition to those mentioned in previous reports. In all, reciprocity contracts are now in effect with twenty states. Such contracts are the subject of further studies looking to possible revisions and additional contracts with other states.

In accordance with the statutes the General Counsel and his staff have during the period of this report represented the public in all rate and valuation cases at hearings before the Commission. There have been a number of rate cases during the past fiscal year which have been heard by the Commission involving railroad rates, motor

carrier rates and rates of other public utilities, especially telephone companies.

The Legal Department has represented the Commission in conferences with and hearings before the Federal Power Commission and the Interstate Commerce Commission and has represented the Commission in all litigation in the courts wherein the Commission was a party. The following is a brief summary of what has transpired in these activities during the last fiscal year.

#### Circuit Court Cases

STATE EX REL DIXIE GREYHOUND LINES, INC., AND MO. PAC. TRANSPORTATION CO. VS PUBLIC SERVICE COMMISSION (LEADBELT CASE)  
(Commission Case No. 9272; Circuit Court No. 10,819)

This case was upon date of last report of the Commission under advisement by the Judge of the Circuit Court of Cole County. On May 3, 1947, the Court affirmed the order of the Commission. Nothing further being done by Relators this judgment became and is now final.

STATE EX REL ARCH MAYES, ET AL: VS PUBLIC SERVICE COMMISSION  
(Commission Case No. 9445; Circuit Court No. 10,919)

This case arose out of an application filed April 4, 1946 by R. O. Adams for a Certificate of Convenience and Necessity as a motor carrier of passengers over regular routes. The case was heard by the Commission on May 8, 1946, and on May 20, 1946 the Commission issued its Report and Order granting applicant the authority requested and issued to him a Certificate of Convenience and Necessity therefor. In due time some of the protestants that appeared before the Commission at the time of hearing, sued out of the Circuit Court of Cole County a Write of Certiorari or review, style of this case being as shown in this caption. The Commission in obedience to said writ filed its return thereto. This case has heretofore been set down for argument

in the Circuit Court, but at request of Counsel for Relators it was continued and is pending in said Circuit Court as of June 30, 1947.

STATE EX REL DIXIE GREYHOUND LINES, INC., ET AL VS PUBLIC SERVICE COMMISSION (SEMO)  
(Commission Case No. B-9141; Circuit Court No. 10,902)

This case arose out of application filed by J. E. Rister and E. B. Fritts d/b/a S. E. Missouri Bus Line for a Certificate of Convenience and Necessity to operate intrastate as a passenger carrying motor carrier over regular routes. After hearing had upon said application, the Commission granted the requested authority. In due time Relators as shown in caption hereof were granted a Writ of Certiorari by the Circuit Court of Cole County. Within the time required by the writ the Commission filed its return thereto. This cause was on June 30, 1947, pending in said Circuit Court.

STATE EX REL INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 148, VS PUBLIC SERVICE COMMISSION  
(Commission Case No. 10,987; Circuit Court No. 11,168)

This case arose as result of the order made by the Commission upon the application of Laclede Gas Light Company for approval of a plan for the acquisition and operation by Laclede of the property and franchises of the St. Louis County Gas Company, etc. Relators herein appeared before the Commission at the hearing as protestants and interveners. Upon the Commission issuing its Report and Order approving said plan, Relator herein sued out of the Circuit Court of Cole County a Writ of Certiorari on March 1, 1947 and on March 28, 1947, the Commission filed its return to said writ. This case is as of June 30, 1947 pending in Circuit Court.

STATE EX REL CITY OF FERGUSON, ET AL MUNICIPAL CORPORATIONS VS PUBLIC SERVICE COMMISSION  
(Commission Case No. 10,814; Circuit Court No. 11,191)

This case has its origin as result of the Commission's order in

the matter of the application of St. Louis Public Service Company for permission and authority to abandon the electric street railway tracks and service thereon in the City of St. Louis and St. Louis County and for substitution of motor bus therefor on the City Limits-Ferguson Line and Florissant Line. Relator herein on March 25, 1947, sued out a Writ of Certiorari or review in the Circuit Court of Cole County. On April 21, 1947 the Commission filed its return to said writ; this is the status of this case as of June 30, 1947.

STATE EX REL KINLOCK BUSINESS LEAGUE VS PUBLIC SERVICE COMMISSION  
(Commission Case No. 10,814; Circuit Court No. 11,196)

This is a companion case of the one next above mentioned and is identical thereto in all respects and what was said in that case applies equally in this one.

STATE EX REL W. H. JOHNSON, d/b/a GREAT SOUTHERN COACHES, ET AL VS.  
PUBLIC SERVICE COMMISSION  
(Commission Case No. B-9358; Circuit Court No. 11,000)

This case originated before the Commission by the filing of an application by the Robertson Bus Service, Inc., for a Certificate of Convenience and Necessity to operate intrastate as a passenger carrying motor carrier over a regular route. On July 23, 1946 the Commission issued its Report and Order granting to the applicant a Certificate of Convenience and Necessity in part, as requested. In proper time Relators herein filed their motion for rehearing, said motion being subsequently by the Commission overruled. Thereafter, Relators appealed by Writ of Certiorari to the Circuit Court of Cole County. On October 23, 1946, the Commission filed its return to said writ. This cause is as of June 30, 1947 pending in the Circuit Court of Cole County.

Kansas City Court of Appeals

STATE EX REL E. R. MINSHALL d/b/a TRANSPORT DELIVERY COMPANY VS  
PUBLIC SERVICE COMMISSION  
(Commission Case No. T-9543-X; Circuit Court No. 10,965)

This case arose as result of the Report and Order of the Commission after hearing upon the application of John Herman Groner for a Contract Hauler's permit to operate intrastate as a freight carrying contract hauler motor carrier over an irregular route, exclusively in the hauling of petroleum and petroleum products. The Commission granted the requested authority, and Relator herein being a protestant at the hearing on said application appealed by Certiorari to the Circuit Court of Cole County. On August 31, 1946, the Commission filed its return to said writ and on October 9, 1946, the case was argued in said Circuit Court and on said date was by the Court taken under advisement. On December 9, 1946, the Court rendered judgment affirming the order of the Commission. On December 13, 1946, Relator filed notice of appeal to the Kansas City Court of Appeals. The case is pending in last named Court as of June 30, 1947.

STATE EX REL ST. FRANCOIS COUNTY BUS LINES, INC., VS PUBLIC SERVICE  
COMMISSION  
(Commission Case No. B-9276; Circuit Court No. 10,821; Kansas City  
Court of Appeals No. 20,900)

This case as shown by last report of the Commission had been submitted to the Judge of the Circuit Court and was under advisement on date of said report. Subsequently and on November 21, 1946, judgment was entered affirming the order of the Commission. Relator filed notice of appeal to the Kansas City Court of Appeals. Same is pending in last named court as of June 30, 1947.

STATE EX REL ANDERSON MOTOR SERVICE, INC., AND BYERS TRANSPORTATION COMPANY INC., VS PUBLIC SERVICE COMMISSION  
(Commission Case No. T-8336; Circuit Court No. 10,909;

This case arose out of application filed by Toedebusch Transfer, Inc., for Certificate of Convenience and Necessity to operate as a freight carrying motor carrier over a regular route, intrastate. Upon original submission this application was denied by the Commission. In due time applicant filed its motion for rehearing and upon consideration of same said motion was sustained. Upon a subsequent hearing before the Commission a Report and Order was issued on May 6, 1946, granting the authority sought, after which time application was made by Relators to the Circuit Court of Cole County for Writ of Certiorari. In connection therewith Relators filed motion to stay and suspend the order of the Commission until such time as the entire record could be submitted to the Court in the case. This motion was argued on July 2, 1946, and was taken under advisement by the Court and was soon thereafter overruled. On July 17, 1946, the Commission filed its return to said writ and on July 27, 1946, the case was argued, taken under advisement and on May 3, 1947, the Court affirmed the order of the Commission. On May 13, 1947, Relators filed notice of appeal to the Kansas City Court of Appeals where same is pending as of June 30, 1947.

STATE EX REL F. H. SCOFIELD d/b/a SCOFIELD BUS LINE, INC., VS PUBLIC SERVICE COMMISSION  
(Commission Case No. B-9192; Circuit Court Case No. 10,750; Kansas City Court of Appeals No. 20,839)

Last report of this department showed this case had been submitted to the Circuit Court and taken under advisement. Subsequently that Court by its order and judgment set aside the order of the Commission and in due time the Commission filed its notice of appeal

to the Kansas City Court of Appeals and has perfected said appeal and said case is pending in said Court of Appeals as of June 30, 1947.

STATE EX REL DELMAR DAIL, STATE LEGISLATIVE REPRESENTATIVE OF BROTHERHOOD OF RAILROAD TRAINMENT VS PUBLIC SERVICE COMMISSION  
(Commission Case No. 10,623; Circuit Court No. 10,560; Kansas City Court of Appeals No. 20,800)

The nature, record and history of this case is set out in Commission's last report (Legal Department) upon which date the case was pending in the Kansas City Court of Appeals. Subsequent to the date of last report and to wit on June 2, 1947, the Court of Appeals affirmed the judgment of the Circuit Court, (20 3 S.W. 2nd 491) resulting in an affirmance of the order of the Commission.

STATE EX REL WILLIE WALLEN AND DIXIE GREYHOUND LINES, INC., VS PUBLIC SERVICE COMMISSION  
(Commission Case No. B-9139; Circuit Court No. 10,608)

Upon date of last report of this department above case had been argued and taken under advisement by the Circuit Court. On November 12, 1946, that Court affirmed the order of the Commission. On December 9, 1946, Relators filed notice of appeal to the Kansas City Court of Appeals. This case is pending in last named Court as of June 30, 1947.

#### Supreme Court

PUBLIC SERVICE COMMISSION OF MISSOURI VS MO. PAC. RAILROAD COMPANY AND GUY A. THOMPSON, TRUSTEE.

Previous annual reports relate the history and character of this case. By the last report it is shown that Counsel for the Commission had filed an application in the Supreme Court of Missouri to have this cause transferred to said Court to review the judgment of the Springfield Court of Appeals affirming the judgment of the Circuit Court. On July 7, 1946, the Supreme Court granted said application.

On October 3, 1946, the case was argued in the Supreme Court and on November 11, 1946, said Court (en banc) affirmed the judgment of the Court of Appeals and Circuit Court.

STATE EX REL D. A. RICE, d/b/a DONIPHAN TELEPHONE COMPANY VS PUBLIC SERVICE COMMISSION AND SOUTHWESTERN BELL TELEPHONE COMPANY  
(Commission Case No. 10,076; Circuit Court No. 10,843)

The origin and history of this case is fully set out in the last report of the Commission (Legal Department) at which time this case had been argued and submitted to the Court and was under advisement. On December 2, 1946, the order of the Commission was by the Circuit Court affirmed. Subsequently and in due time appellant filed and served notice of appeal to the Supreme Court where same is pending as of June 30, 1947.

United States Circuit Court of Appeals for the Tenth Judicial Circuit

IN THE MATTER OF CITIES SERVICE GAS CO., (F.P.C. DOCKET NO. G-141;  
Court of Appeals No. 2813)

This case was discussed in the last annual report and as of June 30, 1946, the Circuit Court of Appeals had affirmed the rate reduction order of the Federal Power Commission and the cause was then pending upon motion for rehearing. On the 5th day of July, 1946, the motion for rehearing was overruled and thereafter and in due time the Cities Service Gas Company petitioned the Supreme Court of the United States for Writ of Certiorari to review the decision of the Circuit Court of Appeals. Counsel joined with Counsel for the Federal Power Commission in suggestions in opposition to petition for Certiorari and on the 12th day of November, 1946, the Supreme Court denied Certiorari. This ended the litigation over the ordered rate reduction but left impounded under the order of the Circuit Court of Appeals approximately twenty-two million dollars of which approximately



50% or a little more is for distribution to users of natural gas in the State of Missouri. As of June 30, 1947, Counsel in cooperation with the Court and attorneys for the Federal Power Commission, the Kansas Corporation Commission and the Oklahoma Corporation Commission was working upon a suitable plan for making distribution of the impounded monies.

United States Circuit Court of Appeals for the Eighth Judicial Circuit

PANHANDLE EASTERN PIPELINE CO., A CORPORATION, ET AL VS FEDERAL POWER COMMISSION, ET AL (U. S. CIRCUIT COURT CASE NO. 12,466)

As of June 30, 1946, the last annual report shows that this case was pending before a Special Master appointed by the Court to work out with the Missouri Commission as well as the regulatory bodies of other states, wherein Panhandle Eastern Pipe Line Company serves natural gas, a plan for distribution of the impounded funds accumulated during the period of litigation over the rate reduction order of the Federal Power Commission. During the last fiscal year several conferences were had with the Special Master and representatives of interested distributing companies, and two hearings were held by the Special Master jointly with the Commission. At these hearings Counsel presented the views of the Commission and its staff concerning a proper plan for distribution, and as of June 30, 1947, the report of the Special Master was being awaited.

Federal Power Commission and Interstate Commerce Commission

As mentioned in the last annual report Counsel has intervened and appeared in a number of hearings before the Federal Power Commission wherein authority was being sought to expand the facilities of the various pipe lines serving natural gas in Missouri. In most of these cases the Federal Power Commission granted authority to

expand the facilities. However, the pipe lines have not been able to obtain materials, particularly pipe, with which to complete the proposed expansions and the result has been that all of the pipe lines serving in the State of Missouri are short of capacity, and Counsel during the past fiscal year has attended numerous conferences with the Federal Power Commission and the officials of the pipe lines in order to work out plans for curtailment of the use of natural gas and a proper allocation of the available supply among the various distributing companies. Such plans were worked out and enabled the pipe lines to supply the demand for gas during the peaks of the winter season of 1946-47 and as of June 30, 1947 such plans were being given further consideration in order to take care of the winter season of 1947-48.

The Legal Department works with the Interstate Commerce Commission almost daily and during the past fiscal year one member of the Legal staff devoted most of his time to the hearing of Bus and Truck cases before joint boards created by the Interstate Commerce Commission. This is a work which goes on constantly and has been given very little attention in previous annual reports but is an important phase of the work of the Legal Department.

It seems appropriate at this point to call to the attention of the Governor, so that he may advise the General Assembly, a situation with which the Legal Department has had to deal during the past fiscal year and which should be clarified by appropriate legislation. Section 5690, R. S. Mo. 1939, provides for application to the Circuit Court for a Writ of Certiorari to review an order of the Commission and contains a further provision that upon the filing of

an application for Writ of Certiorari the applicant shall deposit with the Clerk of the Circuit Court the sum of \$25.00 which shall be paid by said clerk to the Judge of the Circuit Court after final disposition of the cause in that court. Judge Blair of the Circuit Court of Cole County has, since the adoption of the 1945 Constitution, refused to accept these deposits, holding that acceptance of such deposits is prohibited by the provisions of the 1945 Constitution. Upon disposition of Commission's cases in the Circuit Court of Cole County the Circuit Clerk, acting under the instructions of the Judge, has been remitting these deposits to the State Treasurer and the State Treasurer upon our advise has been crediting same to the general revenue.

We suggest that this Section 5690 should be amended to provide that such deposits be paid to the State Treasurer to the credit of general revenue. In no event should this filing fee of \$25.00 be abolished, because it does serve to deter frivolous appeals. This department handles many appeals from the Commission orders each year, not all of which are mentioned in this report and we anticipate, should this filing fee be abolished, the filing of appeals would greatly increase to the point where it would necessitate a substantial increase in the staff of the Legal Department and thereby throw an unwarranted additional expense upon the State of Missouri.

## ACCOUNTING AND STATISTICAL DEPARTMENT

### PERSONNEL

The personnel of the department at June 30, 1947, consisted of a Chief Accountant, thirteen Assistant Accountants and two stenographer-clerks.

### DESCRIPTION OF DUTIES

The department is delegated with the responsibility of assisting the Commission in matters regarding valuations of utility properties for rate making purposes, security issues, reorganizations, consolidations, and property acquisitions by operating utilities. It is represented and presents evidence at hearings in which these matters are involved and it also conducts audits and investigations of various public utilities in order to develop and present information which will enable the Commission to be fully informed of the actual conditions when passing upon a case involving any of the matters previously mentioned.

Other duties consist of the supervision of the accounting of all the utilities in the state which are subject to the jurisdiction of the Commission including the obtaining from each such utility an annual report of its operations which is filed in the department as a public record. The department also assists in the preparation of the budget for each fiscal year and maintains current records of the expenditures and periodically advises the Commission as to the current status of each appropriation.

### AUDITS AND SPECIAL STUDIES

The majority of the personnel of the department is engaged in auditing the books and records of the various utility com-

The purpose of these audits is to determine the original cost of utility property, operating revenues and expenses and net operating income applicable thereto and the utility's capitalization for the use of the Commission in any valuation or rate cases which may be before it and for any other purpose which the Commission might deem proper under the circumstances. Special studies are also made from time to time by members of the department for the purpose of inquiring as to the adequacy, or inadequacy, of the net operating income of the utility under review based on its existing rate structure.

During the fiscal year the Commission issued its report and order in the valuation case of Kansas City Power & Light Company which fixed the original cost of the company's Missouri property and authorized the company to file revised schedules of rates which were estimated to reduce the annual gross revenues approximately \$2,000,000 under existing rate schedules. The basis for the finding of original cost and the rate reduction was, primarily, the audit of the company's accounts which had been filed on June 10, 1946. Also, the rate and valuation cases instituted by the Commission against Kansas City Gas Company and the Missouri properties of The Gas Service Company resulted in voluntary rate reductions by the Kansas City Gas Company of \$357,565 annually and by The Gas Service Company of \$60,000 annually. In each case, the estimated reductions were based on audits of the two companies' operations and were in addition to reductions the two companies agreed to pass on to their customers by reason of the gate rate reduction for their wholesale gas purchases from Cities Service Gas Company.

Audits to determine the original cost of the utility property and the reasonableness of rates charged to the public for utility service were in progress during the fiscal year for the following companies:

Union Electric Company of Missouri  
Missouri Gas & Electric Service Company  
Missouri Public Service Corporation  
St. Louis County Transit Company  
Andrew County Mutual Telephone Company  
The Clinton County Telephone Company  
Middle States Utilities Company of Missouri  
Missouri Power & Light Company (Gas only)  
Consumers Public Service Company  
Empire District Electric Company

While the field work in connection with some of these cases was completed by June 30, 1947, accounting and other staff reports had not been filed with the Commission and the cases had not been set for hearing.

In addition to the audit in connection with the rate and valuation case of the Union Electric Company of Missouri the department, in cooperation with the Federal Power Commission, was making a study to determine the original cost of this company's utility property, which is the largest electrical utility property in the state. The department's report in connection with this study will be filed sometime during the current fiscal year. During the progress of the audit the company made voluntary rate reductions totaling \$1,294,704.00 annually.

Other studies were made throughout the period in connection with various problems which arose and which required more information than was available in the offices of the Commission.

#### SECURITY ISSUES

During the fiscal year the amount of security issues author-

ized was \$182,135,910.28. Of this amount \$59,629,957.38 was for the purpose of refunding outstanding securities and \$122,505,952.90 was new money obtained for the acquisition, construction, completion, extension, and improvement of the facilities of the various utility companies. While the amount of refunding issues was only 47 per cent of the amount of refunding issues authorized in the preceding fiscal year, the \$122,505,952.90 of new money represented an increase of 478 per cent over the same period in this category. Interest rates during the fiscal year continued at a favorable level which accounted for many companies refunding their existing securities at new and lower interest rates which resulted in substantial savings in interest charges. The amount of new money authorized reflected to a large degree the gradual easing of the material situation and the ability of companies to make needed additions and betterments to utility property. The latent demand for increased utility services remains strong and will without doubt be reflected in a steady demand for additional capital to finance new construction. The following table shows the securities authorized to be issued during the period from July 1, 1946, to June 30, 1947, inclusive:

SECURITIES AUTHORIZED JULY 1, 1946, TO JUNE 30, 1947

DATE OF AUTHORITY	CASE NUMBER	NAME OF COMPANY	KIND OF SECURITY	TOTAL VALUE
7-15-46	10,847	MACON GAS COMPANY	BONDS	40,000.00
7-16-46	10,866	PARKVILLE WATER CO.	BONDS	151,000.00
7-16-46	10,866	PARKVILLE WATER CO.	COMMON STOCK	35,000.00
7-16-46	10,866	PARKVILLE WATER CO.	PREFERRED STOCK	40,000.00
8-16-46	10,856	CONCEPTION JUNCTION TELEPHONE COMPANY	NOTES	3,000.00
8-16-46	10,892	KANSAS CITY PUBLIC SERVICE CORPORATION	NOTES	1,100,000.00
8-22-46	10,898	ST. LOUIS PUBLIC SERVICE CORPORATION	COMMON STOCK	745,169.00
8-26-46	10,885	MISSOURI PUBLIC SERVICE CORPORATION	BONDS	750,000.00
9-19-46	10,755	HUME AND METZ TELEPHONE COMPANY	NOTE	4,500.00
9-25-46	10,894	UNITED TELEPHONE COMPANY	BONDS	1,000,000.00
9-27-46	10,921	SPRINGFIELD CITY WATER COMPANY	PREFERRED STOCK	862,750.00
11-18-46	10,943	KANSAS CITY POWER & LIGHT COMPANY	BONDS	36,000,000.00
11-18-46	10,943	KANSAS CITY POWER & LIGHT COMPANY	PREFERRED STOCK	10,000,000.00
11-18-46	10,943	KANSAS CITY POWER & LIGHT COMPANY	NOTES	4,000,000.00
11-27-46	10,926	STELLA TELEPHONE COMPANY	NOTE	9,000.00
12-8-46	10,942	MISSOURI WATER COMPANY	BONDS	950,000.00
12-17-46	10,951	ARKANSAS MISSOURI POWER COMPANY	COMMON STOCK	590,825.00
12-24-46	10,965	GAS SERVICE COMPANY	BONDS	16,000,000.00
12-24-46	10,969	GAS SERVICE COMPANY	COMMON STOCK	8,500,000.00
12-30-46	10,965	SOUTHWESTERN BELL TELEPHONE COMPANY	COMMON STOCK	27,000,000.00
1-3-47	10,959	WACO TELEPHONE EXCHANGE	NOTES	7,960.00
1-8-47	10,966	WARRETON TELEPHONE COMPANY	NOTE	25,000.00
1-11-47	8-9,306	ST. LOUIS COUNTY TRANSIT COMPANY	NOTE	16,312.15
2-3-47	11,006	KANSAS CITY POWER & LIGHT COMPANY	COMMON STOCK	3,500,000.00
2-15-47	10,987	LACLEDE GAS LIGHT COMPANY	BONDS	6,500,000.00
2-14-47	10,987	LACLEDE GAS LIGHT COMPANY	NOTES	6,500,000.00
2-31-47	5-9,894 TO 8-9,909	ST. LOUIS COUNTY TRANSIT COMPANY	NOTES	152,452.46
4-4-47	11,037	MISSOURI UTILITIES COMPANY	BONDS	400,000.00
4-4-47	11,037	MISSOURI UTILITIES COMPANY	COMMON STOCK	57,000.00
4-24-47	11,043	ST. LOUIS PUBLIC SERVICE COMPANY	NOTES	5,000,000.00
4-30-47	11,042	ARKANSAS MISSOURI POWER CORPORATION	DEBENTURES	1,000,000.00
5-2-47	8-9,980	SOUTHEAST MISSOURI BUS LINE	NOTES	50,000.00
5-13-47	11,062	ARKANSAS MISSOURI POWER COMPANY	COMMON STOCK	276,941.67
5-13-47	11,027	BUFFALO TELEPHONE EXCHANGE	NOTE	22,050.00
5-22-47	11,077	CONSUMERS PUBLIC SERVICE COMPANY	BONDS	80,000.00
5-10-47	11,064	SOUTHWESTERN BELL TELEPHONE COMPANY	COMMON STOCK	50,000,000.00
6-2-47	11,081	SPRINGFIELD CITY WATER COMPANY	BONDS	500,000.00



## RECAPITULATION

Notes	\$ 16,897,274.61
Bonds	62,371,000.00
Debentures	1,000,000.00
Preferred Stock	10,922,700.00
Common Stock	90,944,935.67
Total	<u>\$182,135,910.28</u>

The Commission has continued its policy of careful scrutiny of all proposed security issues with the view of improvement in corporate structures and in increasing the margin of safety to investors. This policy has been amply justified by the good credit rating and sound financial condition of Missouri utility companies.

## ANNUAL REPORTS

Approximately 2,000 electric, gas, water, heating, telephone, telegraph, street railway, railroad, sleeping car, express and bus and truck companies file annual reports with the Commission which show each reporting utility's financial conditions and operating results for the last calendar year. These reports are filed in the department after having been checked and analyzed. They are available for public inspection and are a source of information for security holders, investment brokers, municipal and county officers, and other interested public utilities and individuals.

The department also uses these reports in determining rates of return, and earnings for the various companies under its jurisdiction, and in developing statistical studies for the use of the Commission in various matters under review. As a result of the analysis of the information in these reports information was developed and submitted to the Commission

during the fiscal year which resulted in voluntary rate reduction by two electrical utilities in the aggregate amount of approximately \$345,000.00.

During the fiscal year of 1947-1948 the gas customers of companies purchasing gas for resale from Panhandle Eastern Pipeline Company and Cities Service Gas Company, which have received reductions in the wholesale price of natural gas, should receive cash refunds as a result of the retroactive provisions of the gate rate reductions. The passing on of these savings to the public has been a question of vital interest to the department. During the fiscal year numerous studies pertaining to the method of refunding these impounded funds have been made using information in the annual reports. Conferences have been held between the department, the various gas utilities which had received the gate rate reductions and the special masters appointed by the courts to make the refunds, relative to an equitable and fair method of distribution.

#### BUDGET AND APPROPRIATIONS

The department advises the Commission periodically as to the status of each of the appropriations under which it operates and helps in the preparation of the budget request for each fiscal year. Current records are maintained in the department recording the expenditures under the various appropriations and the free balance of each appropriation. All Commission expenditures are referred to the department for the purpose of determining whether the expenditures contemplated can be made within the budget appropriation.

The Commission, in Case No. 11,110, entered on June 25, 1947, in accordance with the provisions of Senate Bill No. 239, estimated the total amount of its expenses for the current fiscal year payable under the provisions of that act at \$240,500.00 and prorated this amount among groups of utilities, as set out in the said act, as follows:

(a)	railroad corporations	\$ 30,000.00
(b)	street railroad corporations	10,000.00
(c)	other common carriers	250.00
(d)	electrical corporations, gas corporations, hearing companies and telephone corporations	200,000.00
(e)	telegraph corporations	250.00
	total	<u>\$240,500.00</u>

The department in the said order was directed to calculate the amount of the assessment against each public utility in each group in proportion to its gross intrastate revenues for the calendar year in relation to the total for the group. The assessments so calculated were presented to the Secretary of the Commission who was directed to notify each utility of the amount assessed and the method of payment.

#### FEES

During the fiscal year the fees collected, exclusive of those collected by the Bus and Truck Department, were as follows:

Audits and Appraisals	\$ 83,034.39
Authority Fees	22,070.45
Miscellaneous	<u>5,433.65</u>
Total	\$110,538.49

This total compares to \$ 86,263.03 collected during the preceding year. During the current fiscal year the collections will be reduced by the amount previously billed utilities for audit and appraisal expenses as under Senate Bill No. 239, all utilities are assessed at the beginning of the year for

their proportionate share of these expenses. All authority fees and miscellaneous fees so collected will, however, revert directly to the state's general revenue fund and will not be subject to expenditure by the Commission under appropriations as has been the case in previous years.

#### COOPERATION WITH OTHER REGULATORY COMMISSIONS

During the fiscal year close cooperation was maintained with the Federal Power Commission in connection with the joint check of the original cost of Union Electric Company of Missouri. Also various conferences were held between members of the department and the Federal Communications Commission regarding the treatment of accounting problems of Southwestern Bell Telephone Company. The department has also cooperated with the Securities and Exchange Commission and Rural Electrification Administration in matters of mutual interest.

The chief accountant is a member of the Committee on Accounts and Statistics of the National Association of Railroad and Utilities Commissioners and in such capacity is frequently called upon to render opinions on current accounting problems brought to the attention of the committee.

#### GENERAL

In addition to the previously outlined duties the department is constantly called upon for assistance and information by the general public and when not in conflict with the Commission's policy such assistance and information is gladly rendered. The department also works in close cooperation with the other departments of the Commission and many of the results which have been achieved have been the result of cooperation and assistance from these departments.

During the year the department made audits of various trucking companies at the request of the Commission's transportation rate department for the use of that department in studying the request of various carrier groups for increased rates.

Other important cases during the year in which the department participated were the acquisition by The Laclede Gas Light Company of the property and operating rights of The St. Louis County Gas Company; the merger of Kansas City Gas Company with and into The Gas Service Company; and also the acquisition of the Interstate Gas Company by The Gas Service Company; the United Utilities Company by St. Joseph Light & Power Company; and Independence Waterworks Company by Missouri Water Company.

Since the enactment of Senate Bill No. 239, the department will now be able to conduct audits and investigations of small independent telephone companies which previous to this time it had been impossible to do because of the inability of these companies to bear the costs incident thereto. The department intends to assign personnel to assist these small companies in accounting matters and to help in the determination of the adequacy of their existing rate structures. The need for this assistance was mentioned in our report for the preceding year.

At the close of the fiscal year the department was faced with the problem of ever increasing demands for the services of its personnel. Because of expanding operating costs and slightly reduced operating revenues the street railway companies of both St. Louis and Kansas City indicated that a request for increased rates was in prospect. Also various telephone companies were

petitioning the Commission for authority to file increased rate schedules. No doubt the Commission in many of these cases, before setting the matters for hearing, will require a complete audit and investigation in which this department will participate.

## ENGINEERING DEPARTMENT

The work of the Engineering Department covers engineering problems coming before the Commission relating to railway, water, gas, electric, steam heating, telephone and telegraph utilities in the State. It is planned so that the personnel is assigned for administrative purposes in accordance with the training and experience of the various staff members. The Department is made up of seven men and three clerks. The work handled covers generally valuation of the above utilities, with the exception of railway and telegraph utilities. There are many operating and service problems relating to all of the above that continually require the attention of the staff.

### Railway Service and Safety

This requires work on problems of the following character:

1. Inspection of Steam and Electric properties.
2. Investigation to determine the necessity and safety of switch and side track connections.
3. All matters relating to the service offered by railroad companies at their stations.
4. Studies relating to street railway traffic and service.
5. Investigations relative to applications for Certificates of Convenience and Necessity as filed by Steam and Electric Railroads.
6. Supervision of Steam and Electric Railway crossing protection, signal systems and interlocking plants.
7. Investigations of accidents on Steam and Electric Railroads.
8. Approval of plans in regard to clearances.
9. Drainage investigations.
10. Sanitation inspections.
11. Safe working conditions for employees of railroads.

The following tabulations show the Commission's disposition of 92 formal cases in this field which have come before the Commission and this Department for examination.

Railway Service

Discontinuance of Agency (granted).....	2
Discontinuance of Agency (denied).....	2
Install caretaker (granted).....	2
Discontinuance of caretaker (granted).....	3
Construct spur track or switch track (granted)....	13

Railway Safety

Reduced horizontal clearance (granted).....	7
Reduced vertical clearance (granted).....	5
Interlocking plans approved.....	16

Railroad Crossings

Protected grade crossings (granted).....	7
Unprotected grade crossings (granted).....	27
Grade crossings closed (granted).....	14
Grade crossings (denied).....	2
Grade separations (granted).....	8
Grade separations abolished.....	1

The above tabulations show that the Commission granted authority to the railroads and others to construct thirty-four grade crossings and eight grade separations, and, in so doing, required that fourteen existing crossings be closed. The thirty-four crossings were the result of twelve highway or street projects and twenty-two crossings that were constructed due to new construction by the railroads of the State. Of the twenty-two crossings constructed by the railroads,



seven crossings were created by the relocation of the main line tracks, while fifteen crossings were built by the railroads as the result of switch track or spur track extension on thirteen projects.

The records show that twenty-four existing crossings that have had no protection for the vehicular traffic in the past have now been equipped with flasher lights or other types of protection. There were permits issued for construction of seven grade crossings with protective devices, seven overpasses and one underpass.

From February, 1947 to June 30, 1947, there were seven field inspections made. Three of these inspections resulted in these complaints being adjusted at the time of the inspection. Complete reports of these inspections were filed with the Commission.

In the following tables we have tabulated the results of the 1,123 accidents occurring on steam and electric railroads in the State of Missouri for the period from January 1, 1946 to June 30, 1947:

	<u>Steam</u>		<u>Electric</u>		<u>Total</u>	
	<u>Killed</u>	<u>Injured</u>	<u>Killed</u>	<u>Injured</u>	<u>Killed</u>	<u>Injured</u>
Passengers	10	135	0	10	10	145
Employees	32	527	2	0	34	527
Trespassers	38	18	0	0	38	18
Non-trespassers	<u>62</u>	<u>103</u>	<u>6</u>	<u>16</u>	<u>68</u>	<u>119</u>
	142	783	8	26	150	809
Total Injured and Killed.....						959
Accidents (no injuries).....						164
Grand Total.....						1123

Summary of Grade Crossing Accidents

Number of accidents.....	87
Number of persons killed.....	45
Number of persons injured.....	<u>97</u>
Total persons killed and injured.....	142

Our records show that the number of accidents has decreased during the past few years and while the magnitude of accidents on the railroads is deplorable, this department is constantly studying ways and means to reduce this number. Members of the department, after contacting other interested parties, make field inspections of hazardous crossings and other safety violations. The railroad company usually has a representative present when an investigation is made and corrective measures in the interest of improving conditions are frequently handled informally with the railroad company representatives at the time of the inspection, thereby eliminating numerous hazards in less time than is required when a formal case is filed. Some of these inspections, of course, are made in instances when the question involved is a matter of a formal case before the Commission. In all instances, a full report of all inspections is presented to the Commission for its consideration.

#### Water and Gas Utilities

The water utilities have continued to operate in what might be considered as a normal way. There has been no serious shortage of water at the source, but continued growth in many of the cities in which these utilities operate has caused shortage of service in local areas. Shortage of basic materials has delayed the extension of local distribution systems into newly developed tracts, but, generally speaking, the public has had, under the circumstances, adequate service.

Studies and investigations have continued to be made for the purpose of supplying information to the Commission to be used for determining the original costs of the properties, and for fixing

allowances for depreciation of the property.

Problems relating to the gas utilities of the State have been quite different from those connected with the water utilities. With few exceptions these utilities are supplied gas for distribution from large interstate gas pipe lines. The growth of the use of natural gas for all purposes has made the present transmission lines of insufficient capacity to carry enough gas to meet the local requirements. This condition is true throughout the United States.

Many conferences have been held with the Federal Power Commission relative to the problems relating to the inadequate supply of gas from the interstate transmission lines that lead through the State of Missouri. It is evident from the information submitted at these conferences that the construction of additional transmission lines has been and is being delayed because of an inadequate supply of material of which the additional lines can be constructed. As a result of this condition, it has been necessary to join with the Federal Power Commission in the allocation of gas to the various utility distribution systems supplied throughout the State. In allocating the gas it has also been necessary to have the distribution utilities file rules by which the gas sales would be restricted to customers. Individual customer usage has been restricted more severely than in the past and the allowance of gas for serving new domestic and commercial customers for space heating has had to be denied until adequate facilities can be provided for bringing the necessary quantities of gas into the State.

There have been no increases in the cost of gas to the customers, but on the other hand, there have been decreases made as

a result of customers supplied by the pipe line companies following investigations made by the Federal Power Commission. The rates have been reduced to the point now where it is very desirable to the public to use gas for space heating, particularly in homes. This condition becomes more desirable due to the increased costs in other classes of fuel, liquid petroleum and coal.

Upon authority granted by the Federal Power Commission to the so called Big Inch oil pipe line, passing through the southeastern part of Missouri, for the transportation of natural gas from the Texas fields to the Eastern United States, there has become available an additional supply of gas for the southeastern part of the State. While this additional supply is limited, the Federal Power Commission ordered an allowance of gas from the Big Inch Lines for distribution and resale to one of the utilities in the southeastern part of the State.

Since natural gas is becoming a widely used commodity throughout the State, there have been problems, and will continue to be, because of the expansion of these facilities within the area now served and to new municipalities for use by the public.

The department has submitted to the Commission original cost studies on a number of gas systems and those systems will continue to require study for allowances for depreciation.

#### Electrical and Steam Heating

During the fiscal year ending June 30, 1947, the Engineering Department was subdivided into various divisions, thereby facilitating the work and enabling the staff of each division to concentrate on and expedite the work pertaining to the utilities assigned to each.

The personnel of this division consists of one division engineer and one field engineer under the direction of the Chief Engineer.

The duties of the department in the field of electrical and steam heating utilities include the preparation of appraisal reports, depreciation studies, allocation of jointly used facilities, making studies relative to annual depreciation rates, determination of property not used in public service and analyzing and establishing original costs.

In connection with the foregoing, the department has a staff member present at Commission hearings in which the department has work. The department furnishes engineering testimony in valuation cases, and serves the Commission in consulting and advisory capacities, supplying technical information concerning engineering, valuation and related problems.

In addition to their participation in valuation cases, members of the staff have assignments in miscellaneous related matters involving valuation of newly organized and reorganized utilities. They have also cooperated with other state commissions and the Federal Power Commission in making allocations of jointly used property and the separation of inter and intra state operated utilities. This latter undertaking has required not only a rather thorough investigation, but also the attendance by the Engineering Department staff members at a number of committee meetings and hearings on the subject.

The work of the Electrical Division covers:

(a) The keeping of accurate statistical records of all privately owned electric and steam heating utilities under the jurisdiction of the Commission.

(b) Adjustment of correspondence complaints involving electric and steam heat service.

(c) General inspection of equipment and test of service meters.

(d) General supervision of the quality of equipment and service of electric and steam heat utilities in so far as the public interest, public health and safety of the public and employees are concerned.

(e) Attending hearings, offering testimony and making investigations when necessary, in matters before the Commission involving permits for electric transmission lines, inductive interference controversies and transfers of utilities, and other formal cases before the Commission relating to standards, adequacy and extensions of utility service and the charges for such service, in which sales of utility property is involved.

(f) Making studies and surveys of the conditions surrounding the extensions of electric lines in order that service may be extended to rural areas throughout the State. This work has required particular attention concerning the type and safety of the line that may be adequate for rendering good service, but at the same time encouraging the construction by the use of that type of line that can be constructed at the lowest cost.

(g) Assistance in the preparation of reports and orders involving engineering problems.

(h) Introduction of testimony and assistance in examination of witnesses in all matters of utility valuation work and other engineering problems.

For the year ending June 30, 1947, the electrical division of the Engineering Department, in addition to the foregoing duties, has assisted in processing the following cases:

<u>CASE NO.</u>	<u>APPLICANT</u>	
10,484	Kansas City Power and Light Company	Determination of original cost of property not used in public service, allocation of jointly used facilities between electric and steam departments, depreciation study and recommendation for annual depreciation requirements. Approval of rate schedules.
10,630	Sho-Me Power Coop.	To file rate schedules for Mountain Grove and Cabool.
10,673	Union Electric Company	Determination of original cost of property not used in public service, allocation of jointly used facilities between electric and steam departments, depreciation study and recommendation for annual depreciation requirements.
10,722	Maryville Electric Light and Power	Determination of original cost of property not used in public service, allocation of jointly used facilities between electric and steam departments, depreciation study and recommendation for annual depreciation requirements.
10,775	Gasconade Power Company	To obtain information regarding original cost, reasonableness of rates, used and useful property, depreciation study, annual depreciation requirements, allocations, etc.

10,776	Missouri Gas and Electric Service Company	Determination of original cost of property not used in public service, allocation of jointly used facilities between electric and steam departments, depreciation study and recommendation for annual depreciation requirements.
10,819	Arkansas-Missouri Power Company	Certificate of Convenience and Necessity to construct transmission line in St. Francois County.
10,839	Ste. Genevieve Electric Cooperative	Certificate of Convenience and Necessity to construct transmission line (Henry).
10,843	Arkansas-Missouri Power Company	Certificate of Convenience and Necessity to construct transmission line in Washington County.
10,850	Arkansas-Missouri Power Company	Certificate of Convenience and Necessity to construct transmission line in Washington County.
10,851	Empire District Electric Company	Determination of original cost of property not used in public service, allocation of jointly used facilities between electric and steam departments, depreciation study and recommendation for annual depreciation requirements.
10,852	Missouri Public Service Corporation	Determination of original cost of property not used in public service, allocation of jointly used facilities between electric and steam departments, depreciation study and recommendation for annual depreciation requirements.
10,853	Missouri Power and Light Company	Certificate of Convenience and Necessity to construct transmission line in Randolph County.



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10,853	Missouri Power and Light Company	Certificate of Convenience and Necessity to construct transmission line in Randolph County.

10,857	Missouri Power and Light Company	Certificate of Convenience and Necessity to construct a transmission line in Ralls County and to convert to 60 cycle service in New London, Mo.
10,875	Missouri Utilities Company	Certificate of Convenience and Necessity to construct transmission lines in Miller and Morgan Counties and build new and rebuild old switching structure in Eldon and Versailles.
10,879	United Utilities Corporation	Determination of original cost of property not used in public service, allo- cation of jointly used facilities between electric and steam departments depreciation study and recommendations for annual depreciation requirements.
10,880	Ste. Genevieve Electric Cooperative, Inc.	Certificate of Convenience and Necessity to construct transmission and distribu- tion lines in the Ste. Genevieve, Perry and Cape Girardeau Counties. (Hearing)
10,882	Missouri Service Company	Certificate of Convenience and Necessity to construct transmission line in Holt County.
10,893	Missouri Service Company	Certificate of Convenience and Necessity to construct transmission lines in Atchison County.
10,895	Ste. Genevieve Electric Cooperative, Inc.	Application for authority to reorganize, etc.
10,906	Missouri Service Company	Certificate of Convenience and Necessity to construct transmission lines in Holt County.
10,912	Lebanon Development Corporation, Inc.	Certificate of Convenience and Necessity to construct electric and water proper- ties adjacent to the City of Lebanon.

10,924	Arkansas-Missouri Power Corporation	Certificate of Convenience and Necessity to construct transmission line in Washington County.
10,925	Arkansas-Missouri Power Corporation	Certificate of Convenience and Necessity to construct transmission line in Washington County.
10,931	St. Joseph Light and Power Company	To file new schedule of rates.
10,932	Arkansas-Missouri Power Corporation	Certificate of Convenience and Necessity to construct transmission line in Wayne County.
10,933	Arkansas-Missouri Power Corporation	Certificate of Convenience and Necessity to construct transmission line in Wayne County.
10,935	Missouri Power and Light Company	Certificate of Convenience and Necessity to construct transmission line in Audrain County.
10,936	Missouri Power and Light Company	Certificate of Convenience and Necessity to construct transmission line in Davies County and abandon lines thereby replaced.
10,951	Arkansas-Missouri Power Corporation	Authority to transfer all properties to Arkansas-Missouri Power Company.
10,958	Sho-Me Power Cooperative	To reorganize and transfer assets to Sho-Me Power Association, Inc.
10,962	Kansas City Power and Light Company, St. Joseph Light and Power Company, Maryville Electric Light and Power Co.	Certificate of Convenience and Necessity for Kansas City Power and Light Company to construct transmission line from Kansas City to St. Joseph and for St. Joseph Light and Power Company to construct transmission line to Maryville.

10,963	St. Joseph Light and Power Company.	Certificate of Convenience and Necessity to change location and voltage of its transmission line and for Maryville Electric Light and Power Company to change voltage and location of transmission line.
10,964	Missouri Power and Light Company	Certificate of Convenience and Necessity to construct a transmission line in Audrain County.
10,968	United Utilities Corporation	Certificate of Convenience and Necessity authorizing United Utilities Corporation to sell and St. Joseph Light and Power Company to purchase property and assets of United Utilities Corporation.
10,970	Missouri Utilities Corporation	Certificate of Convenience and Necessity to purchase transmission line from Arkansas-Missouri Power Corporation.
10,999	Arkansas-Missouri Power Corporation	Certificate of Convenience and Necessity to construct transmission line in Washington County.
11,004	Intercounty Electric Cooperative Association of City of St. James	Authority for Intercounty to sell and City to purchase distribution system in St. Louis.
11,005	Intercounty Electric Cooperative Assn.	For approval of its conversion into co-op subject to RECA October of 1939.
11,015	Empire District Electric Company	Permission and approval to exercise franchise granted by Pleasant Hope.
11,017	Missouri Utilities Company	Permission to reduce rates.
11,023	Consumers Public Service Company	To obtain information regarding original cost, reasonableness of rates, used and useful property, depreciation study, annual depreciation requirement, allocation, etc.

11,026	Maryville Electric Light and Power Company	Certificate of Convenience and Necessity to construct transmission line in Nodaway County to Missouri- Iowa state line.
11,038	Missouri Service Company	Certificate of Convenience and Necessity to construct transmission line in Atchison County.
11,040	Missouri Power and Light Company	Certificate of Convenience and Necessity to construct transmission line in Randolph County.
11,046	Union Electric Company of Missouri	Certificate of Convenience and Necessity to construct transmission line in Madison County.
11,047	Arkansas-Missouri Power Company	Certificate of Convenience and Necessity to construct transmission line between Poplar Bluff, Williams- ville and Piedmont, Missouri.
11,048	Arkansas-Missouri Power Company	Certificate of Convenience and Necessity to construct transmission line in Washington County.
11,061	Kansas City Power and Light Company	To file rules and regulations relative curtailment of electric service in Kansas City.
11,064	Missouri Power and Light Company	Certificate of Convenience and Necessity to rebuild and convert existing transmission line in Linn County.
11,092	Missouri Power and Light Company	Certificate of Convenience and Necessity to construct transmission line and re- build existing line in Howard and Boone Counties.
11,093	Missouri Utilities Company	Certificate of Convenience and Necessity to construct transmission lines and in- crease voltage in existing line extending from Charles- ton to East Prairie.



11,099	Arkansas-Missouri Power Corporation	Certificate of Convenience and Necessity to enlarge conductors and relocate transmission line between Hayti and Portageville.
11,100	Maryville Electric Light and Power Company	To issue shares of common stock to liquidate outstanding indebtedness and to issue shares of common stock to obtain cash for new construction.
11,101	Missouri Service Company	Certificate of Convenience and Necessity to construct transmission line in Atkinson and Holt Counties.
11,111	Missouri Power and Light Company	Certificate of Convenience and Necessity to rebuild existing transmission line from Boonville to Prairie Home in Cooper County to Jamestown in Moniteau County.
11,113	Empire District Electric Company	Approval to exercise rights under franchises granted by town of Urbana, Mo.
11,114	Missouri Power and Light Company	Certificate of Convenience and Necessity to rebuild and convert existing transmission line from Jefferson City to Centertown, Elston, Lohman and Russellville in Cole County, Missouri.

## Telephone and Telegraph

As with the other utilities, the telephone utilities throughout the State have found themselves facing the problem of rendering telephone service to greatly increased numbers of customers through facilities that were constructed largely before the war. During the war they were restricted in most part to the construction and operation of their facilities to users of the service engaged in the war effort. Following the war the relocation of the public apparently continues to be in the urban areas, but even so, telephone companies serving small cities have found themselves with severely inadequate facilities for rendering service. For a time these utilities were able to expand by downgrading service, changing direct customer lines to serve two, three and four customers, thereby providing additional service, but that has failed to meet the demand for increased usages of the service.

Utilities have been urged to provide facilities and they have made great efforts to get materials for expansion to render service but that is yet far short of the present needs. It is necessary to handle many complaints from persons throughout the State who desire and need telephone service but are unable to obtain it. Every effort is being made to assist in carrying on this expansion program but time and materials will be required to bring the service back to normal.

The department has made original cost studies of many of the telephone systems through the State and made many inspections of systems for the purpose of informing the Commission relative to the condition of the plants through which service has been furnished.

These surveys have been required particularly because of requests for increases in rates. The utilities have filed many applications with the Commission, as the record will show, and there have been severe objections to the allowance of increases in rates because of unsatisfactory service. In some instances the Commission has refused to allow increases owing to the unsatisfactory service or has allowed increases sufficient only to meet increases in wages to employees who have the work of maintaining and operating the exchanges throughout the State. The utilities have argued that because of their inability to get materials for properly maintaining or reconstructing their exchanges they have been unable to bring their systems up to the standards desired.

It has been found that where utilities have given first class telephone service the public has not so seriously objected to the increases in rates required to meet the operating expenses. Particularly is this true where it is found that the employees of the telephone systems have been given increases in wages. It continues to be very apparent that the public is willing to pay for high class service when furnished through a well maintained and economically operated exchange.

Following is a list of the cases that have been handled through the period covered by this report, investigating rates, rules and sales of exchanges as indicated:

<u>CASE NO.</u>	<u>KIND</u>	<u>FILED</u>	<u>ORDER ISSUED</u>
10,693	Telephone rates	9-5-1945	11-29-1946
10,755	Telephone sale	2-4-1946	9-19-1946
10,790	Telephone sale	3-26-1946	10-28-1946

10,794	Telephone rates	3-27-1946	10-9-1946
10,810	Telephone service	4-19-1946	8-2-1946
10,817	Telephone rates	4-27-1946	10-21-1946
10,829	Telephone sale	5-20-1946	2-28-1947
10,844	Telephone rates and service	6-13-1946	4-25-1947
10,855	Telephone sale	7-9-1946	8-23-1946
10,856	Telephone sale	6-24-1946	8-16-1946
10,858	Abandon telephone service	6-24-1946	2-19-1947
10,859	Telephone rates	6-24-1946	8-14-1946
10,860	Telephone rates	6-25-1946	8-29-1946
10,863	Telephone sale	6-26-1946	7-22-1946
10,865	Discontinue telephone business	6-26-1946	9-25-1946
10,868	Telephone rates	6-27-1946	11-25-1946
10,878	Telephone sale	7-9-1946	9-14-1946
10,886	Suspension of rates	7-22-1946	3-3-1947
10,891	Telephone sale	7-26-1946	8-26-1946
10,903	Telephone sale	8-16-1946	3-21-1947
10,914	Telephone sale	9-3-1946	1-25-1947
10,915	Telephone rates	9-3-1946	2-19-1947
10,918	Telephone rates	9-9-1946	11-8-1947
10,923	Telephone rates	9-27-1946	1-30-1947
10,926	Telephone sale	10-2-1946	11-27-1946
10,927)	Andrew County Telephone Co.	10-7-1946	10-21-1947
10,938)	Rates - Clinton " "	" 10-7-1946	10-21-1947
10,929)	Middle States " "	" 10-7-1946	10-21-1947
10,937	Telephone sale	10-17-1946	2-28-1947
10,945	Telephone area	11-6-1946	7-12-1947
10,946	Telephone rates	---	11-27-1946

10,950	Const. Telephone System	11-6-1946	1-10-1947
10,954	Telephone sale	11-8-1946	12-4-1946
10,956	Telephone sale	11-12-1946	2-19-1947
10,957	Telephone Service Complaint	11-15-1946	2-6-1947
10,959	Telephone sale	11-15-1946	1-3-1947
10,981	Telephone rates	12-16-1946	4-8-1947
10,982	Telephone rates	12-16-1946	4-8-1947
10,983	Telephone rates	12-16-1946	4-8-1947
10,984	Telephone rates	12-16-1946	3-21-47
10,985	Telephone sale	12-20-1946	1-8-1947
10,992	Suspension of Telephone Rates	12-31-1946	4-29-1947
10,993	Suspension of Telephone Rates	12-31-1946	4-29-1947
11,011	Telephone sale	1-31-1947	3-21-1947
11,012	Telephone sale	1-31-1947	2-25-1947
11,013	Telephone sale	2-3-1947	2-10-1947
11,021	Telephone sale	2-17-1947	3-21-1947
11,024	Telephone sale	3-3-1947	3-20-1947
11,025	Telephone sale	3-7-1947	3-22-1947
11,031	Wire and telephone service	3-18-1947	6-13-1947
11,044	Telephone sale	4-4-1947	4-10-1947
11,087	Telephone sale	5-24-1947	6-11-1947

#### GENERAL

In formal cases coming before the Commission relative to problems with the foregoing utilities, it is the duty of the department to have a staff member present at hearings before the Commission to assist in every way possible. In valuation cases, a staff member testifies as to the value of utility property and is present for consultation

with the Commission on matters touching upon technical engineering work and allocated property.

The department also covers the following matters:

The keeping of an accurate record of the rates charged by all public or privately owned utilities furnishing electric, gas, water, telephone and steam heating service.

The staff handles correspondence relative to these matters and to matters relating to complaints both as to rates that should be charged for the service or unsatisfactory service. When called upon, investigation is made of the equipment, manner used in rendering service and the testing of meters through which the service is measured. The quality of the service furnished by utilities and the safety of the public in the construction, operation and maintenance are matters which are studied and investigated by the Engineering Department.

While it has been necessary for the Commission to allow increases in rates for telephone service in many cases and areas, there have been no increases for electric, gas, water or steam heating service furnished by utilities in the State.

## TRANSPORTATION RATE DEPARTMENT

The personnel of the Transportation Rate Department consists of the chief rate expert, three rate experts, one senior stenographer and one stenographer. This department has general supervision of the Commission's activities in administration of the various laws that provide for the regulation of transportation rates, fares, charges, rules, regulations and practices of railroads, motor carriers, contract haulers, street railways, express, freight forwarding and sleeping car companies. It also serves as the Commission's agency for ascertaining the measure of service afforded the public by those transportation agencies.

The department examines into the necessity for and the reasonableness of changes in rates proposed by transportation agencies in connection with traffic moving wholly within the State of Missouri, renders general assistance to the public in connection with interstate rate problems and handles the adjustment of complaints relative to inadequate or unsatisfactory service furnished by transportation agencies where the Commission is empowered by statute with jurisdiction.

The statutes require that all carriers file with the Commission tariffs naming rates, rules and regulations for the transportation of passengers and property between points within the state. The rate department handles all of these filings, which, during the period covered by this report amounted to 6,874 tariffs and supplements. The number of tariff filings during the past year were approximately 1,400 greater than for the last previous year. Each publication filed with the Commission is carefully examined by rate

experts to determine the reasonableness of its contents and to determine whether it conforms to the Commission's prescribed rules of publication. The department initiates and maintains a constant and heavy volume of correspondence with individual carriers seeking correction of objectionable and unlawful tariff publications. Many tariffs and supplements are rejected for just cause and others containing rates, fares, charges or provisions which appear to be unreasonable or injurious to the public are suspended from becoming effective and the matter is assigned for investigation by the Commission to determine the propriety thereof. In addition to the maintenance of the official file of all tariffs naming Missouri intra-state rates and charges, the department maintains an extensive file of interstate tariffs of the different transportation agencies. These schedules are used by the department for comparative purposes and in the preparation of data for presentation in interstate rate cases. The interstate tariff file is also used by other state governmental departments.

The Commission receives hundreds of informal complaints each year with respect to the reasonableness of rates assessed, overcharges due to improper tariff interpretation and revision and complaints as to service and facilities. The rate department analyzes and investigates each of these complaints, many of which require personal investigation and some of which lead to formal proceedings before the Commission. Such complaints are handled expeditiously by the department which continues its investigation either by correspondence or conference with the parties involved until the complaint is satisfied.



During the period covered by this report the rate department received and disposed of, in accordance with authority delegated under Section 5607, R. S. Mo. 1939, 225 applications of carriers seeking authority to establish rates, rules and regulations upon less than statutory notice, due to emergency situations, or seeking temporary relief from certain provisions of the Commission's tariff rules. In the same period the department issued 77 tariff rejection notices and prepared 250 miscellaneous orders, including a great number calling for the suspension of motor carrier operating authority due to various violations of the law with respect to tariff and rate matters. Actions initiated by the rate department have resulted in indefinite suspension of authority of several motor carriers for failure to comply with the state law and rules and regulations of the Commission.

The department is represented at all hearings before the Commission involving rates and charges of transportation agencies and assists the Commission in obtaining the facts necessary for orderly determination of the issues before it. The rate department also participates, on behalf of the Commission, in interstate proceedings involving interstate rates from, to and between points in the State of Missouri and accumulates and compiles essential statistics of railroad and motor carrier operations. The department also receives and analyzes various statistics prepared by other state utility commissions as well as the Interstate Commerce Commission, to keep informed on transportation conditions and trends in the surrounding states, various rate territories and the United States as a whole.

It is the duty of the rate department to examine all contracts of contract haulers in order that the Commission may, before authorizing contract haulers' permits, determine that such contracts are lawful from the standpoint of rates and charges to be assessed thereunder.

During the period covered by this report considerable progress has been made in the matter of consolidation and elimination of duplications in existing bus and truck authorities as a means of simplifying the Commission's records and facilitating the publication of tariffs covering such authorities. To this end there have been approximately 50 restatements of motor carrier operating authority by personnel of the rate department. This program is being carried out in cooperation with the bus and truck department.

#### Interstate Rate Levels

In our last report we said that rising costs of operation threatened to increase the public's freight bill to the highest level since World War I, and that while economic prospects for the longer post-war period were difficult to appraise, the trend would undoubtedly continue until the nation's demands for consumer goods is satisfied and industry as a whole returns to competitive manufacturing and distribution. Evidence during the past year has fully substantiated the above statement.

Transportation agencies are exceptionally vulnerable to inflationary forces or to sudden and sharp ascending costs. They are heavy users of fuel and various other materials and supplies and a high percentage of their costs of operation are in the employment of labor. As a result of increased costs of labor, fuel, material

and supplies transportation agencies have sought increased rates. In our last report we discussed the proceeding before the Interstate Commerce Commission in Ex Parte No. 162, Increased Railway Rates, Fares and Charges, 1946, in which the Interstate Commerce Commission authorized rail carriers to increase rates 6 per cent, with certain exceptions, effective July 1, 1946. The 6 per cent increase was allowed pending full hearing on the originally requested 25 per cent increase. During the fall of 1946 the Interstate Commerce Commission held further hearings in Ex Parte No. 162 and on December 5, 1946, handed down its decision, authorizing, with numerous exceptions, an increase of 20 per cent in basic rates and charges but excluding from such rates and charges in effect at that time such portion thereof as represented the interim increase of 6 per cent which had become effective July 1, 1946. The 20 per cent increase in interstate rates became effective January 1, 1947.

In our last two reports, we discussed the sweeping rail class rate adjustment prescribed by the Interstate Commerce Commission in Docket No. 28,300, General Class Rate Investigation, in which the Interstate Commerce Commission by its report and order dated May 15, 1945, ordered a uniform level of interstate class rates between all points in the United States east of the Rocky Mountains. On May 12, 1947, the United States Supreme Court upheld the original order of the Interstate Commerce Commission in this case and instructed the Federal District Court of Utica, N. Y. to vacate the temporary injunction which it had allowed pending final disposition of the case. As a result of the Supreme Court's decision the interim basis prescribed by the Interstate Commerce Commission in its original

report and order is now in effect pending final compilation and publication of the new uniform basis of rates. This interim basis increased all class rates in Eastern Territory 10 per cent and reduced like rates in Southern and Western Territory (in which Missouri is located) by 10 per cent.

On February 18-20, 1947, the Interstate Commerce Commission held its first hearings in Dockets Nos. 29555 and MC-C-542, Pick-Up and Delivery Services by Railroads and Motor Carriers. These proceedings, instituted by that Commission on its own motion on June 10, 1946 and which are of utmost importance to the shipping public are for the avowed purpose of determining where and under what circumstances pick-up and delivery service is rendered by carriers; where they should perform the service; whether the shipper should have the right to perform its own pick-up and delivery service and receive an allowance in lieu of pick-up and delivery by the carrier; what compensation is received by the carrier for the service; what is the actual cost to carriers in performing the service; what and whose facilities are used; and to what extent, if any, should such service be covered by a charge separate from the line haul rate.

This case is one of the most important undertakings of the Interstate Commerce Commission in many years, since the outcome thereof will have a direct bearing upon the relationship of competitive rail and motor carrier rates in the future. Pick-up and delivery service is fundamentally an inherent advantage of the motor carrier industry and was adopted by rail lines to meet a highly competitive form of transportation. The question of whether line haul rates in the future shall include the admittedly expensive service of pick-

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up and delivery is of equal importance to intrastate shippers since undoubtedly any major change in the method of constructing interstate class rates would be carried forward and applied with equal force in the making of intrastate rates.

No section of the country has escaped the ever increasing demands of the motor carrier industry for increases in rates. Numerous territorial proceedings have been held by the Interstate Commerce Commission in the past year and the general interstate level of motor rates has constantly risen. There is currently in process a cumulative attempt on the part of practically all motor carriers to obtain increased revenues consistent with increased costs of operation. Within the bounds of the Interstate Commerce Act and most state statutes this is a legitimate undertaking, but there is the danger of subjugation of the principle of competition in the field of transportation, which principle underlies all of the statutory approaches to the subject, in favor of what amounts at times to an inclination on the part of some carriers to charge shippers all that the traffic will bear under the present economic circumstances. It has been suggested by large shipping interests that there should be a special attempt made by the Interstate Commerce Commission under its cooperative procedure with the various states to bring about a nation-wide investigation and adjustment of motor carrier revenue needs, both interstate and intrastate, that would be logical and consistent with the needs as they are made evident. There is a great need for such coordinated action by the Interstate Commerce Commission and the various state commissions, and the Rate Department of this Commission stands ready to partici-

pate to the fullest extent in such an undertaking.

In Ex Parte No. 163, Increased Express Rates and Charges, 1946, the Interstate Commerce Commission issued a report and order on October 28, 1946, in which it found that subject to certain conditions, general increases in rates proposed by the Railway Express Agency had been justified for a trial period of one year. The company was permitted to increase its rates 5 to 10 cents per 100 pounds on various classes of traffic. In addition it was permitted to revise its package rates or graduated scale of rates on shipments under 100 pounds, with minor exceptions.

One of the conditions under which the increase was granted was that the Agency must present to the Commission within six months from the effective date of the increased rates, data covering the results of traffic tests together with a final proposal of a basis of rates and charges for future application. On March 11, 1947, the Express Agency filed a supplemental petition in this case asking authority to increase express rates above those granted by the Commission in its original order of October 28, 1946 and the traffic analysis reports were filed with the Commission on May 3 and June 5, 1947. Further hearings are being held in the proceeding.

Rail passenger fares remained at the 1942 level in Western Territory throughout the period covered by this report with the exception that on June 10, 1947 railroads were authorized to increase round-trip first class fares 15 per cent, but in no case were fares increased in excess of 3.3 cents per mile, the maximum formerly prescribed by the Interstate Commerce Commission.

The fares of inter-city motor carriers of passengers, like those



of rail lines, have remained fairly static during the past year. There have been very few increases in fares, however, the most comprehensive investigation of its kind ever to be undertaken by the Interstate Commerce Commission is now under way in Docket MC-G-550, Investigation of Bus Fares. This investigation covers fares over the entire United States. The state commissions are taking part in the investigation and regional hearings are now being held.

With increased automobile production and the rapid expansion of air service, both railroads and motor carriers lost, during the period covered by this report, and are continuing to lose, an undeterminable amount of traffic which they handled during the war and immediately thereafter.

#### Intrastate Rate Levels

What has heretofore been said with respect to interstate rate levels applies with practically equal force to Missouri intrastate rates. As far as railroads are concerned, the year 1946 showed the worst operating results since 1941. The rate of return upon the combined book value of all carriers doing a business in Missouri was 2.91 per cent in 1946, declining from 3.56 per cent for the year 1945, and net income was the lowest since 1941. This showing was in spite of the fact that total operating revenue in 1946 set a peace time record. Carriers' operating revenue in 1946 was 63 per cent higher than the last prewar year of 1940, but their operating expenses were 72 per cent higher than for the same year.

As a result of mounting operating expenses, this Commission in Case No. 10,821, authorized rail carriers to increase rates 15 per cent, with certain exceptions, effective March 19, 1947.

This increase equalled, with minor exceptions, that authorized by the Interstate Commerce Commission in Ex Parte No. 162, previously mentioned herein as having become effective January 1, 1947 on interstate traffic.

The motor carriers of Missouri are operating, in so far as class rates are concerned, under rates prescribed in our Supplemental Report and Order in Case No. 8397 dated June 22, 1946. Those rates, generally increasing former motor class rates by 13 per cent on less than truckload traffic and 5 per cent on truckload traffic, were placed in effect throughout the state on August 1, 1946. In response to a petition of motor carriers operating in Southeast Missouri, Case No. 8397 was reopened by our order dated April 14, 1947, for the purpose of receiving evidence as to the reasonableness and compensatory nature of rates between St. Louis and points in Southeast Missouri only. Hearings have been held in the proceeding but the matter has not yet been disposed of.

Motor carrier freight rates have remained at approximately the August 1, 1946 level, however, there have been a few increases in specific commodity rates since that date.

The Commission, by order dated January 21, 1947, instituted an investigation into and concerning the lawfulness of rates then in force and for the purpose of prescribing rates for the future on less than truckload shipments of milk and cream by freight carrying motor carriers. This proceeding, Case No. T-9833, has been heard but has not been disposed of.

Intrastate rates of the Railway Express Agency, increased to the same extent that interstate rates were increased by action of the

Interstate Commerce Commission in Ex Parte No. 163, were permitted to become effective after statutory filing and without complaint, on December 13, 1946.

During the past year the fares of both the Kansas City and St. Louis street railway systems remained at their former levels although there was a decided decrease in patronage and revenue and a corresponding increase in operating expenses.

There has been very little change in the mileage of railroads operating in Missouri in the past year. There have been no abandonments and such changes in mileage that have occurred have been because of relocation of main line track and alterations in yard facilities.

A statement showing the mileage of all railroads and street railway systems operating in the State of Missouri as of December 31, 1946, follows:

MILEAGE OF CLASS I STEAM RAILROADS AND CITY STREET RAILWAYS OPERATED IN MISSOURI AS  
OF DECEMBER 31, 1946

MILEAGE OF CLASS I RAILROADS IN MISSOURI

RAILROAD	MILES OF ROAD	MILES OF SECOND MAIN TRACKS	MILES OF ALL OTHER MAIN TRACKS	MILES OF PASSING TRACK CROSS- OVERS TURNOUTS	MILES OF WAY SWITCH- ING TRACKS	MILES OF YARD SWITCH- ING TRACKS	TOTAL
THE ALTON R.R.CO.....	253.50	20.03	—	39.02	18.53	29.13	360.21
THE ATCHISON, TOPEKA & SANTA FE RY.CO.....	308.95	200.10	15.33	59.58	32.90	40.21	657.07
CHICAGO, BURLINGTON & QUINCY R.R.CO.....	1338.97	129.25	—	104.22	96.49	234.78	1903.71
CHICAGO GREAT WESTERN R.R.CO.....	101.25	3.61	—	14.70	6.86	20.04	146.46
CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC R.R.CO...	153.94	56.39	12.45	41.62	14.80	95.76	374.96
THE CHICAGO, ROCK ISLAND & PACIFIC RY.CO.....	529.49	89.14	10.79	57.80	32.88	99.26	819.36
ILLINOIS TERMINAL R.R.CO.....	2.72	2.52	—	—	—	8.95	14.19
THE KANSAS CITY SOUTHERN RY.CO.....	199.60	10.42	—	36.82	19.70	103.49	370.03
MISSOURI AND ARKANSAS RY.CO.....	69.13	—	8.00	—	.48	5.03	82.64
MISSOURI-ILLINOIS R.R.CO.....	89.04	—	—	6.14	19.87	10.63	125.68
MISSOURI-KANSAS-TEXAS R.R.CO.....	470.22	28.29	—	61.47	39.17	51.14	650.29
MISSOURI PACIFIC R.R.CO.....	1490.26	222.86	1.50	204.38	122.24	437.17	2478.41
ST. LOUIS-SAN FRANCISCO RY.CO.....	1476.10	63.59	—	183.07	111.87	258.85	2093.49
ST. LOUIS SOUTHWESTERN RY.CO.....	220.90	19.11	—	35.67	16.83	35.72	328.23
WABASH R.R.CO.....	629.55	84.60	13.38	93.96	74.82	120.44	1016.75
TOTAL.....	7333.62	929.91	61.45	393.45	607.44	1550.60	11421.47

MILEAGE OF CITY STREET RAILWAYS IN MISSOURI

KANSAS CITY PUBLIC SERVICE CO.....	88.41	69.43	—	5.80	—	7.85	171.49
ST. LOUIS PUBLIC SERVICE CO.....	155.43	147.96	—	26.52	—	18.00	347.91
TOTAL.....	243.84	217.39	—	32.32	—	25.85	519.40

MILEAGE OF SMALL RAILROADS AND SWITCHING AND TERMINAL COMPANIES OPERATED IN MISSOURI AS OF DECEMBER 31, 1946

Miles of Road  
Operated

SMALL ROADS (Steam):

Bevier & Southern R.R.Co.....	15.05
Cassville & Exeter Railway Co.....	4.70
Hannibal Connecting R.R.Co.....	7.35
Kansas City Connecting R.R.Co.....	4.73
Missouri & Illinois Bridge & Belt R.R.Co.....	3.55
Rockport, Langdon & Northern Ry. Co.....	6.18
St. Louis & Troy R.R.Co.....	<u>5.20</u>
Total.....	46.76

SMALL ROADS (Electric):

The Joplin-Pittsburg R.R.Co.....	7.63
St. Francois County R.R.Co.....	<u>9.74</u>
Total.....	17.37

Miles of All Tracks

SWITCHING AND TERMINAL COMPANIES:

Hannibal Union Depot Co.....	.81
Joplin Union Depot Co.....	6.64
Kansas City Terminal Ry.Co.....	110.54
Manufacturers Ry.Co.....	21.82
Rock Island-Frisco Terminal Ry.Co.....	2.45
St. Joseph Belt Ry.Co.....	18.96
St. Joseph Terminal R.R.Co.....	12.77
St. Joseph Union Depot Co.....	2.07
Terminal Railroad Association of St. Louis...	166.74
Union Terminal Ry.Co.....	<u>3.10</u>
Total.....	345.90

## BUS AND TRUCK DEPARTMENT

This Department on June 30, 1947, consisted of a Supervisor, Chief Inspector, seven Inspectors, Chief Licensing Clerk, and seven clerks and stenographers.

The Bus and Truck Department enjoyed the fullest cooperation with Federal and State Departments. The Interstate Commerce Commission cooperated on mutual interest problems and their four state meetings were very beneficial on transportation matters. Cooperation received from the State Highway Patrol, State Highway Department, Secretary of State, State Treasurer, State Auditor and Revenue Department was greatly appreciated. We in turn offered them our full cooperation.

The Missouri State Highway Patrol was very helpful in their efficient handling of the enforcement of the Public Service Commission Law pertaining to motor carrier transportation. (Missouri Bus and Truck Law and General Order No. 33-B)

The inspectors of this Department have assisted the Patrol on all matters involving the two organizations. They have also been of assistance to the shippers, bus and truck operators, consignees and the general public. The latter consisted of investigations, special assignments, personal contacts and all matters concerning the Public Service Commission Rules and Regulations.

The Inspection Division was always on the alert to assist, in any way possible, the Patrol and other organizations on their Safety Programs. The prevention of accidents upon the highways of this State has been and will be one of this Department's main objectives. Strict compliance of the Safety Rules, as promulgated by this

Commission, is required by all motor carriers under its jurisdiction.

This Department has reduced some of the hazards of highway travel by checking equipment in their own garages, as well as upon the highway, and corrections of the defects were made immediately.

This Department helped to sponsor a Fleet Supervisor Course at Missouri University and gladly participated in the refresher course conducted by the Missouri Highway Patrol for the senior members of that organization. Instruction in the Missouri Bus and Truck Law and General Order 33-B was also given the new members of the Patrol in their training school. Personnel of this office assisted the Missouri Bus and Truck Association, an affiliate of the American Trucking Association, on the courtesy and safety program, and also assisted in the safe driving contests held in various parts of the State.

The Constitutional change has had little effect on the procedure and practice of this Department, the collection and remittance of fees being the only exception.

This Department has been operated on the belief that good service should be rendered to the public and that the carriers licensed and certificated by this Commission should receive all the protection afforded by law. Every effort has been made to give service to the entire public, as well as to carriers under the jurisdiction of this body. Motor carriers of both passengers and property continue to show a desire to cooperate with us and to operate in a lawful manner.

There has been a decided increase in applications for new authority, transfers, extensions of authority, etc. because of the aftermath of the war. Conditions are becoming almost normal again

in the transportation field and competition is beginning to be noticed. Complaints of violations are still small in number, however, they have slightly increased since the end of the war.

The following tabulation shows the revenue from common carriers for the past year:

July 1, 1946 to June 30, 1947

Truck License.....	\$308,555.36
Truck Emergency.....	138,509.50
Bus License.....	185,562.81
Bus Emergency.....	<u>8,196.50</u>
Total.....	<u>\$640,824.17</u>

The following credits were allowed carriers as provided by law, incident to the purchase of license plates from the Secretary of State:

Truck Credit.....	\$128,488.71
Bus Credit.....	<u>35,188.43</u>
Total.....	<u>\$163,677.14</u>



NUMBER OF CARRIERS HAVING PRESENT  
AUTHORITY WITH THIS COMMISSION

TRUCK - COMMON CARRIERS

	July 1, 1946	June 30, 1947
Intrastate Only		
Regular	11	12
Irregular	27	25
Regular & Irregular	<u>24</u>	<u>24</u>
	62	61
Interstate Only		
Regular	5	4
Irregular	356	376
Regular & Irregular	<u>20</u>	<u>20</u>
	381	400
Intrastate & Interstate		
Regular	1	2
Irregular	80	82
Regular & Irregular	<u>233</u>	<u>231</u>
	314	315
TOTAL	<u>757</u>	<u>776</u>

TRUCK - CONTRACT HAULERS

Intrastate Only		
Regular	3	4
Irregular	37	41
Regular & Irregular	<u>0</u>	<u>0</u>
	40	45
Interstate Only		
Regular	13	14
Irregular	108	125
Regular & Irregular	<u>4</u>	<u>4</u>
	125	143
Intrastate & Interstate		
Regular	0	0
Irregular	36	43
Regular & Irregular	<u>5</u>	<u>5</u>
	41	48
TOTAL	<u>206</u>	<u>236</u>

BUS - COMMON CARRIERS

	July 1, 1946	June 30, 1947
Intrastate Only		
Regular	48	46
Irregular	10	11
Regular & Irregular	<u>10</u>	<u>8</u>
	68	65
Interstate Only		
Regular	1	3
Irregular	4	6
Regular & Irregular	<u>0</u>	<u>0</u>
	5	9
Intrastate & Interstate		
Regular	5	4
Irregular	2	2
Regular & Irregular	<u>18</u>	<u>18</u>
	25	24
TOTAL	<u>98</u>	<u>98</u>

BUS - CONTRACT HAULERS

Intrastate Only		
Regular	1	2
Irregular	2	4
Regular & Irregular	<u>0</u>	<u>0</u>
	3	6
Interstate Only		
Regular	0	0
Irregular	0	0
Regular & Irregular	<u>0</u>	<u>0</u>
	0	0
TOTAL	<u>3</u>	<u>6</u>

LICENSE CARDS ISSUED

RECIPROCITY BUS

July, 1946	7
August, 1946	3
September, 1946	0
October, 1946	0
November, 1946	0
December, 1946	13
January, 1947	56
February, 1947	3
March, 1947	0
April, 1947	32
May, 1947	5
June, 1947	<u>0</u>
Total	119

BUS - CONTRACT HAULERS

July, 1946	0
August, 1946	0
September, 1946	0
October, 1946	0
November, 1946	0
December, 1946	0
January, 1947	6
February, 1947	0
March, 1947	1
April	2
May, 1947	0
June, 1947	<u>0</u>
Total	9

RECIPROCITY TRUCK

July, 1946	314
August, 1946	269
September, 1946	391
October, 1946	275
November, 1946	383
December, 1946	56
January, 1947	3,941
February, 1947	1,086
March, 1947	400
April, 1947	491
May, 1947	118
June, 1947	<u>292</u>
Total	8,016

TRUCK - CONTRACT HAULERS

July, 1946	132
August, 1946	171
September, 1946	70
October, 1946	33
November, 1946	35
December, 1946	44
January, 1947	1,107
February, 1947	295
March, 1947	71
April, 1947	84
May, 1947	54
June, 1947	<u>53</u>
Total	2,149

RECIPROCITY TRUCK - CONTRACT HAULERS

July, 1946	53
August, 1946	179
September, 1946	8
October, 1946	65
November, 1946	13
December, 1946	11
January, 1947	584
February, 1947	258
March, 1947	39
April, 1947	74
May, 1947	22
June, 1947	<u>38</u>
Total	1,344

TEMPORARY PERMITS

TRUCK

	<u>4 Tons</u>	<u>7 Tons</u>	<u>9 Tons</u>	<u>Over 9 Tons</u>
July, 1946	1	1	0	0
August, 1946	1	2	0	0
September, 1946	4	1	0	0
October, 1946	1	3	1	1
November, 1946	1	2	1	0
December, 1946	0	0	0	0
January, 1947	0	2	0	0
February, 1947	2	2	0	0
March, 1947	5	2	1	0
April, 1947	2	3	0	0
May, 1947	1	1	1	0
June, 1947	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>
Total	20	19	4	2

TRUCK RECIPROCITY

	<u>4 Tons</u>	<u>7 Tons</u>	<u>9 Tons</u>	<u>Over 9 Tons</u>
July, 1946	0	0	0	4
August, 1946	4	1	0	4
September, 1946	1	2	0	2
October, 1946	1	3	0	0
November, 1946	1	2	0	1
December, 1946	0	0	0	3
January, 1947	3	0	0	1
February, 1947	0	2	0	1
March, 1947	1	1	1	2
April, 1947	1	1	0	2
May, 1947	2	0	1	2
June, 1947	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Total	14	12	2	24

LICENSE CARDS ISSUED

RECIPROCITY BUS

July, 1946	7
August, 1946	3
September, 1946	0
October, 1946	0
November, 1946	0
December, 1946	13
January, 1947	56
February, 1947	3
March, 1947	0
April, 1947	32
May, 1947	5
June, 1947	<u>0</u>
Total	119

BUS - CONTRACT HAULERS

July, 1946	0
August, 1946	0
September, 1946	0
October, 1946	0
November, 1946	0
December, 1946	0
January, 1947	6
February, 1947	0
March, 1947	1
April	2
May, 1947	0
June, 1947	<u>0</u>
Total	9

RECIPROCITY TRUCK

July, 1946	314
August, 1946	269
September, 1946	391
October, 1946	275
November, 1946	383
December, 1946	56
January, 1947	3,941
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TRUCK - CONTRACT HAULERS

July, 1946	132
August, 1946	171
September, 1946	70
October, 1946	33
November, 1946	35
December, 1946	44
January, 1947	1,107
February, 1947	295
March, 1947	71
April, 1947	84
May, 1947	54
June, 1947	<u>53</u>
Total	2,149

RECIPROCITY TRUCK - CONTRACT HAULERS

July, 1946	53
August, 1946	179
September, 1946	8
October, 1946	65
November, 1946	13
December, 1946	11
January, 1947	584
February, 1947	258
March, 1947	39
April, 1947	74
May, 1947	22
June, 1947	<u>38</u>
Total	1,344

TEMPORARY PERMITS

TRUCK

	<u>4 Tons</u>	<u>7 Tons</u>	<u>9 Tons</u>	<u>Over 9 Tons</u>
July, 1946	1	1	0	0
August, 1946	1	2	0	0
September, 1946	4	1	0	0
October, 1946	1	3	1	1
November, 1946	1	2	1	0
December, 1946	0	0	0	0
January, 1947	0	2	0	0
February, 1947	2	2	0	0
March, 1947	5	2	1	0
April, 1947	2	3	0	0
May, 1947	1	1	1	0
June, 1947	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>
Total	20	19	4	2

TRUCK RECIPROCITY

	<u>4 Tons</u>	<u>7 Tons</u>	<u>9 Tons</u>	<u>Over 9 Tons</u>
July, 1946	0	0	0	4
August, 1946	4	1	0	4
September, 1946	1	2	0	2
October, 1946	1	3	0	0
November, 1946	1	2	0	1
December, 1946	0	0	0	3
January, 1947	3	0	0	1
February, 1947	0	2	0	1
March, 1947	1	1	1	2
April, 1947	1	1	0	2
May, 1947	2	0	1	2
June, 1947	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Total	14	12	2	24

TEMPORARY PERMITS

BUS

	<u>18 Passengers</u>	<u>Over 18 Passengers</u>
July, 1946	0	0
August, 1946	0	0
September, 1946	0	1
October, 1946	0	3
November, 1946	0	3
December, 1946	0	0
January, 1947	1	0
February, 1947	0	0
March, 1947	0	0
April, 1947	0	1
May, 1947	0	1
June, 1947	<u>0</u>	<u>1</u>
Total	1	10

BUS RECIPROCITY

	<u>Over 18 Passengers</u>
July, 1946	8
August, 1946	5
September, 1946	1
October, 1946	7
November, 1946	5
December, 1946	0
January, 1947	1
February, 1947	3
March, 1947	1
April, 1947	1
May, 1947	6
June, 1947	<u>8</u>
Total	46

During the period from July 1, 1946 to June 30, 1947, inclusive, orders relating to motor carriers subject to the Bus and Truck Law were issued, classified as follows:

Additional Authority .....	23
New Authority .....	129
Extension of Authority .....	40
Denials .....	18
Dismissals .....	94
Transfers .....	107
Joint and Through Rates .....	3
Citations .....	163
Revocations .....	65
Overruling Motion .....	9
Extending Effective Date .....	5
Cancelling Permit .....	7
Supplemental Order .....	5
Suspensions .....	183
Reinstatements .....	145
Changing Name .....	7
Discontinuing Service .....	6
Correction Order .....	13
Approval Ordering of Time Schedule .....	27
Temporary Permit .....	169
Dismissal Citation .....	50
Additional Contracts .....	18
Investigations .....	5
Temporary Discontinuance of Service .....	50
Permanent Discontinuance of Service .....	21
Order Setting Aside Previous Order .....	1
Order to Finance .....	2
Additional Travel Order Motion .....	<u>127</u>
Total.....	1,492