

ORIGINAL

Decision No. 29753

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation by
the Commission on its own Motion into
the Rates, Rules, Regulations and
Practices of Carriers engaged in the
Transportation of Petroleum and Petro-
leum Products within the State of
California.

Case No. 4079

In the Matter of the Investigation by
the Commission on its own Motion into
the Rates, Rules, Regulations and
Practices of Carriers engaged in the
transportation of Refined Petroleum
Products in Tank Cars, Tank Trucks,
Tank Trailers or Tank Semi-Trailers,
or any combination thereof, in lots of
less than 5800 Gallons, within this
State.

Case No. 4191

BY THE COMMISSION:

INTERIM OPINION AND ORDER

In our original report of November 9, 1936, 40 C.R.C.221, we established reasonable and sufficient rates for common carriers by railroad and just, reasonable and non-discriminatory minimum rates for highway carriers (as defined in the Highway Carriers' Act, Chapter 223, Statutes of 1935) for the transportation of refined liquid petroleum products, when moving in tank cars, tank trucks, tank trailers or tank semi-trailers, or a combination of such highway vehicles, between points in this State. The prescribed minimum weight for highway carriers was the full legal capacity of the tank or tanks but in no event less than 5800 gallons. Various petitions for rehearing were denied by order of December 14, 1936. Subsequently, some sixteen highway carriers filed a joint petition seeking modification of the minimum weight provision with respect to tank-truck units of smaller capacity, and by Decision No. 29439 of January 7, 1937, 40 C.R.C. 331, the minimum weight for shipments in highway tank trucks, tank trailers or tank semi-

trailers, or a combination of such vehicles, was amended so as to permit the application of the prescribed rates to the full legal carrying capacity of the tank or tanks but in no event to quantities less than 3,000 gallons.

By Decision No. 29563 of February 26, 1937, in Case 4079, we further amended Decision No. 29267 so as to provide for a minimum rate of 18 cents per 100 pounds from San Diego to El Centro, and by Decision No. 29593, of March 8, 1937, in Case 4079, we further amended Decision No. 29267 so as to permit establishment of a rate for highway carriers of 18 cents from San Diego to El Centro and other specified points in the Imperial Valley and of a temporary rate of 35 cents per 100 pounds from Group 2 points to Westwood.

Under date of March 22, 1937, we reopened these proceedings for further hearing upon petitions of The Atchison, Topeka & Santa Fe Railway and Southern Pacific Company, Pacific Electric Railway Company, Tank Truck Operators Association of California, and Terminal Warehouse Company, all seeking modifications or clarification of Decisions Nos. 29267 and 29439. These petitions came on regularly for hearing before Commissioner Ware at Los Angeles on April 19 and 20, 1937, at which time the application of the Terminal Warehouse Company was withdrawn. No oral or written objections were made to the applications of the Pacific Electric Railway Company to include Crutcher in Group 6, or of The Atchison, Topeka & Santa Fe Railway Company and Southern Pacific Company, and separate petition of the Tank Truck Operators Association of California, filed herein on the 15th day of March, 1937, both of which request inclusion of Harpertown, California, in Group 4. By separate application dated March 8, 1937, The Atchison, Topeka & Santa Fe Railway Company also requests authority to publish, from Port

Chicago to Richmond, Oakland and San Francisco, the same rates as are applicable from Avon and Martinez to said destinations. Shipments of petroleum refined oil in tank cars are made by the Shell Oil Company from Martinez and by the Associated Oil Company and Richfield Oil Company from Avon. No shipments of refined oil in tank cars are made from Port Chicago, but the Santa Fe participates in traffic from Avon and Martinez to Richmond, Oakland and San Francisco by the route of the Southern Pacific Company to Port Chicago, thence Santa Fe from Port Chicago to the named destinations. The direct route of the Southern Pacific Company is not through Port Chicago.

Under existing orders herein, the minimum rates prescribed by the Commission applicable from Port Chicago to the above mentioned destinations are higher than rates prescribed from Avon and Martinez. The failure to include Port Chicago in Group 2 necessitates the application to these destinations of higher rates from Port Chicago than from Avon or Martinez. The granting of the requested adjustment will have no material effect upon the revenue of any of the carriers but will allow the Santa Fe to participate in the movement from Avon and Martinez via its line from Port Chicago. All of these applications should be granted without delay.

The petition and supplement thereto of Tank Truck Operators Association, filed February 19, 1937, and March 30, 1937, respectively, as orally amended at the hearing held before Commissioner Ware at Los Angeles on April 19 and 20, 1937, seeks an order including "Diesel", "stove" and "smudge" oil as commodities taking the rates on refined petroleum products and other relief. It presents controversial questions and the hearing on this application was continued to June 7, 1937, at San Francisco, before Commissioner Ware. No good reason

appears why the relief requested in the other applications should be deferred pending further hearing and disposition of the last mentioned petitions of the Tank Truck Operators Association.

The record shows that numerous questions have arisen respecting the properly applicable rates by rail and by truck which deserve further study by this Commission, but all parties agree that to avoid confusion from different operators computing rates between the same points with different mileages and to provide uniformity between all carriers it is desirable that there be at least some temporarily fixed and definitely ascertained rates. The Tank Truck Operators Association of California has prepared and filed with this Commission for information purposes a schedule of rates and charges purporting to be in conformity with the decisions and orders of the Commission in these proceedings and requests the Commission to approve said rates as fully complying with our order. Numerous differences exist between the rates and charges named in this tariff and those set forth in the schedules filed by the rail lines, the Tank Truck Operators tariff generally being the lower. At the hearing of April 19th and 20th before Commissioner Ware, counsel for the rail lines and Tank Truck Operators Association agreed that it was desirable to temporarily adopt the rates set forth in the above mentioned tariff of the Tank Truck Operators Association as the proper minimum rates to be assessed by highway carriers pending further consideration of the subject of specific rates by this Commission. Although no opposition was voiced by any party appearing, an analysis of the schedule requires that this matter be given further consideration.

O R D E R

IT IS THEREFORE HEREBY ORDERED that Decision No. 29267 in Case No. 4079 and Decision No. 29439 in Case No. 4191, as amended,

be and they are hereby further amended as follows:

(a) By adding Harpertown, California, as a point taking Group 4 rates;

(b) By adding Crutcher, California, as a specific point in Group 6; and

(c) By adding Port Chicago to Group 2.

IT IS FURTHER ORDERED that the other matters involved in these proceedings be and they are hereby reserved for further consideration.

IT IS FURTHER ORDERED that in all other respects said Decision No. 29267 in Case No. 4079, and Decision No. 29439 in Case No. 4191, as amended, shall remain in full force and effect until the further order of the Commission.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 10th day of May, 1937.

Walter M. M.
Leon C. M.
Walter R. M.
Frank W. M.
Ray L. M.