

ORIGINAL

Decision No. 35202

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Establishment)
of maximum or minimum, or maximum)
and minimum rates, rules and regu-)
lations of all common carriers as)
defined in the Public Utilities)
Act of the State of California, as)
amended, and all highway carriers)
as defined in Chapter 223, Statutes)
of 1935, as amended, for the trans-)
portation, for compensation or)
hire, of any and all commodities.)

Case No. 4246

BY THE COMMISSION:

SUPPLEMENTAL OPINION AND ORDER

By Decision No. 32608, as amended, in this proceeding minimum rail and truck rates have been established for the transportation of refined petroleum products in bulk in tank equipment. By petition filed March 19, 1942, The Atchison, Topeka and Santa Fe Railway Company, Sunset Railway Company and Southern Pacific Company seek permission to deviate from the prescribed minimum rates by establishing on one day's notice a carload rate of 26½ cents per 100 pounds for the transportation of unfinished gasoline suitable only for further refining or blending from Maricopa to Avon. The rate now maintained by petitioners for this transportation, which is also the minimum rate prescribed for highway carriers, is 37 cents per 100 pounds.

It is alleged that Tide Water Associated Oil Company has arranged to purchase 20,000 gallons of unfinished gasoline per day; that this gasoline is to be moved from Maricopa to Avon for use as blending stock in the manufacture of 100 octane gasoline for the United States Government; that with truck delivery at Avon the price is approximately 26½ cents per 100 pounds higher than the price at the Maricopa refinery; and that the interested shipper

can lease tank truck equipment for the transportation involved at an estimated cost of 22 cents per 100 pounds, utilizing the leased equipment to transport finished gasoline from Avon to San Joaquin Valley points. It is further alleged that the sought rate would be fully compensatory and that its establishment is necessary to permit the movement of the unfinished gasoline by rail and to avoid the possible loss of other traffic.

The Tank Truck Operators Association has no objection to the proposed rate adjustment.

Under the circumstances, it appears that a public hearing is not necessary and that the proposed deviation from the minimum rates is justified.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that The Atchison, Topeka and Santa Fe Railway Company, Sunset Railway Company and Southern Pacific Company be and they are hereby authorized to publish and file on not less than one (1) day's notice to the Commission and to the public a carload rate of 26½ cents per 100 pounds for the transportation in tank cars of unfinished gasoline suitable only for further refining or blending.

In all other respects Decision No. 32608, as amended, in this proceeding, shall remain in full force and effect.

This order shall become effective on the date hereof.

Dated at San Francisco, California, this 31st day of March, 1942.

Ray A. Wiley
W. H. Baker
Frank R. Havener
Richard R. Hulse
Commissioners