Decision No. 37391

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Petition of T. G. Harris) for Relief Under Section Eleven (ll) of ) the Highway Carriers' Act from Minimum ) Rates presently effective for Transportation of Liquid Petroleum Products viz. ) Crude Oil by Tank Truck Between Points ) in the State of California.

ORIGINAL

Application No. 26361

BY THE COMMISSION:

## OPINION AND ORDER

T. G. Harris, a radial highway common carrier, seeks authority under Section 11 of the Highway Carriers' Act to transport bulk crude oil, in tank truck equipment, for Tide Water Associated Oil Company from the George F. Getty and Pacific Western Oil Company leases to the oil company's refinery at Pacer, at a rate less than that established as minimum.

The minimum rate for this transportation is 2½ cents per 100 pounds, subject to a minimum weight based on the capacity of the equipment used but not less than 3,000 gallons. It was established by Decision No. 32608, as amended, in Cases Nos. 4246 and 4434. The sought rate is 5 cents per 42-gallon barrel (1.536¢ per 100 pounds), subject to a minimum weight of 3,402 gallons, which is the capacity of the tank truck unit employed in the service.

The verified application shows that the tank truck unit involved will be in use approximately 16 hours per day; that some

Pacer is a point in Santa Barbara County situated approximately 3½ miles west of Santa Maria. The Getty and Pacific Western oil leases are located approximately 3 miles southeast of Pacer.

36,000 gallons of oil will be transported per month; and that under these unusually favorable conditions the gross revenue under the proposed rate will return applicant a substantial profit after payment of all operating costs including depreciation and interest on investment. It also shows that the applicable minimum rate has been prescribed for a maximum distance of 10 miles while the transportation involved is for distances of only 3 miles and that the traffic will be diverted to proprietary operations unless the sought authority is granted.

Competing carriers have been notified of this application and have offered no objections thereto.

It appears that this is a matter in which a public hearing is not necessary. Under the circumstances and conditions of record the sought rate will be compensatory. The application will be granted. Due, however, to the possibility that the conditions under which this service is rendered may change at any time, the authority will be limited to a one-year period.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that T. G. Harris be and he is hereby authorized to transport crude oil, in tank truck equipment, for Tide Water Associated Oil Company from the George F. Getty and Pacific Western Oil Company leases located approximately three (3) miles southeast of Pacer, to the Tide Water Associated Oil Company refinery at Pacer at a rate less than the established minimum rate, but not less than five (5) cents per 42-gallon barrel, minimum 3,402 gallons per trip.

This authority will expire one (1) year from the effective date of this order unless sooner changed, canceled or extended by appropriate order of the Commission.

This order shall become effective twenty (20) days from the date hereof.

Dated at San Francisco, California, this 10 4 day of October, 1944.

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