

Decision No. 48054**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
 into the rates, rules, regulations,)
 charges, allowances and practices)
 of all common carriers, highway)
 carriers and city carriers relating)
 to the transportation of property.)

Case No. 4808

Appearances

P. R. Powell, Jr., for The Oil Haulers Association,
 petitioner.
 William J. Knoell, for Tank Truck Operators Tariff Bureau,
 interested party.
 Lloyd R. Guerra, for Tank Truck Operators' Tariff Bureau
 and for Cantlay & Tanzola, Inc., interested parties.
 J. C. Kaspas, for California Motor Transport Association,
 interested party.
 S. A. Ironside and H. M. Long, for General Petroleum
 Corporation, interested party.
 A. D. Carleton, Brian Pierce and Robert D. Gibson, for
 Standard Oil Company of California, interested party.
 M. S. Housner and G. R. Groth, for Shell Oil Company,
 interested party.
 L. C. Monroe, H. M. Schafer and Frank S. Sunofsky, for
 Union Oil Company of California, interested party.
 Grant L. Malquist, for the Transportation Division, Engineer-
 ing Section, Public Utilities Commission of California.

SUPPLEMENTAL OPINION

The Oil Haulers Association, whose membership is comprised of twelve highway carriers engaged in the transportation of petroleum products in tank vehicles, seeks revision of certain minimum rates heretofore established by this Commission for the transportation of petroleum crude oil within Los Angeles County.

Public hearing was held before Examiner Bryant at Los Angeles on November 25, 1952. The matter is ready for decision.

Minimum rates for the transportation of petroleum crude oil within a portion of Los Angeles County are based upon eight zones, designated 6-A to 6-G, and 13.¹ Various rates are named for transportation within and between these zones. The rates are stated in cents per 100 pounds, and vary according to whether the facilities at origin and destination permit loading and delivery 24 hours a day. Petitioner seeks the subdivision of two of the existing zones, thus creating two additional zones to be designated 6-H and 6-I, and proposes rates for application from and to the new zones.

The president of The Oil Haulers Association testified in support of the petition. He stated that the suggested new zone boundaries were carefully selected for equal division of the existing zones, for freedom from adjacent shipping or receiving points, and for ease of identification. As explained by the witness, the principal purpose of the proposal is to obtain a reasonable relationship between rates for hauls involving comparable time and distance, particularly between points where the movement is substantial. The sought rates, he said, are approximately the same as existing minimum rates for comparable transportation of the same commodity in the same general area. The witness explained that he had not undertaken the compilation of cost data for the reason that, although some increases would result, no general rate increase is proposed. He did not know to what extent, if at all, the sought rates would be compensatory, but said that the changes herein proposed would create a sound rate relationship preliminary to any future consideration of the rate level.

¹ The minimum rates are set forth in City Carriers' Tariff No. 5, Highway Carriers' Tariff No. 6, which is Appendix "C" to Decision No. 32608 in Cases Nos. 4246 and 4434, as amended.

An engineer of the Commission's transportation staff submitted a report on the cost of transporting crude oil between the affected zones under conditions permitting 24-hour service. He explained that he found no movement where the facilities did not permit loading and delivery 24 hours a day, and therefore did not estimate costs for such service. The following table shows the estimated costs and the rates proposed by the petitioner for the same services:

<u>Between Zones</u>	<u>(In Cents per 100 Pounds)</u>	
	<u>Estimated Cost</u>	<u>Proposed Rate</u>
6-H - 6-B	4.1	4
6-H - 6-C	2.7	2-3/4
6-H - 6-D	3.8	3-1/2
6-H - 6-G	3.0	3
6-H - 6-I	3.5	3-1/2
6-H - 13	3.9	3-1/2
6-I - 6-C	3.3	3
6-I - 6-D	4.7	4-1/4
6-I - 6-E	4.7	4-1/2
6-I - 6-F	4.0	4
6-I - 6-G	2.5	2-1/2
6-I - 13	5.4	5-1/2

Note: Costs and rates are omitted for movements between zones where no rate change is proposed.

Carriers, carrier associations, and the principal shippers, participated in the proceeding. No one interposed any objection to petitioner's proposal.

The evidence is convincing that the zone changes as proposed would result in more equitable minimum rates for the transportation of crude oil between the principal producing and refining areas of Los Angeles County. Some rate increases would result, but, as shown in the foregoing table, the rates would be generally at or below the bare cost of performing the service, without provision for profit. For the relatively infrequent movements where

24-hour operation is not possible, and for which cost data are not available, petitioner's proposal is based upon maintenance of the existing rate relationships.

Upon consideration of all of the facts and circumstances of record the Commission is of the opinion and hereby finds that the zone changes and rate revisions proposed by The Oil Haulers Association have been shown to be justified. The petition will be granted.

O R D E R

Based upon the evidence of record and upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that City Carriers' Tariff No. 5 - Highway Carriers' Tariff No. 6 (Appendix "C" to Decision No. 32608 as amended) be and it is hereby further amended by incorporating therein, to become effective January 15, 1953, the revised pages attached hereto and by this reference made a part hereof, which pages are numbered as follows:

Ninth Revised Page 2 cancels Eighth Revised Page 2
Third Revised Page 14 cancels Second Revised Page 14
Seventh Revised Page 15 cancels Sixth Revised Page 15
Second Revised Page 16 cancels First Revised Page 16

IT IS HEREBY FURTHER ORDERED that tariff publications to be made by common carriers as a result of the order herein shall be

TABLE OF CONTENTS	Page Number
Correction Number Checking Sheet-----	1
Description of Group 6 Sub-Groups-----	15
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Rates--Section 2-----	*13 to 16, incl.
Rules and Regulations:	
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Alternative Application of Common Carrier Rates-----	10
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Application of Tariff--General-----	6
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Collect on Delivery Shipments-----	9-A
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Connecting to Mobile Road Mixers-----	11-A
Definition of Technical Terms-----	6
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Technical Terms, Definition of-----	6

* Change, Decision No. 43054

EFFECTIVE JANUARY 15, 1953

Issued by the Public Utilities Commission of the State of California.
 San Francisco, California.

Correction No. 90

RATES ON THIS PAGE ARE NOT SUBJECT TO
PROVISIONS OF SUPPLEMENT NO. 3

Third Revised Page ... 14
Cancels
Second Revised Page ... 14

CITY CARRIERS' TARIFF NO. 5
HIGHWAY CARRIERS' TARIFF NO. 6

Item No.	SECTION NO. 2		RATES (Continued) In cents per 100 pounds																	
	PETROLEUM CRUDE OIL as described in Item No. 30 series.																			
	Column "A" rates apply for transportation when consignor's facilities do not permit loading, or consignee's facilities do not permit delivery, 24 hours per day.																			
	Column "B" rates apply only for transportation when consignor's facilities permit loading, and consignee's facilities permit delivery, 24 hours per day.																			
	See Item No. 220 series for description of Sub-Groups.																			
	BETWEEN SUB-GROUPS																			
	AND		6-A		6-B		6-C		6-D		6-E		6-F		6-G					
			Column A B		Column A B		Column A B		Column A B		Column A B		Column A B		Column A B					
#210-C Cancels 210-B	Sub-Group																			
	6-A		2½	2½																
	6-B		3½	2½	2½	2½														
	6-C		5½	4½	4½	3½	2½	2½												
	6-D		7	5½	5½	4½	3½	2½	2½	2½										
	6-E		5	4½	4½	3½	3½	3	4½	4	2½	2½								
	6-F		3½	2½	3½	2½	4½	3½	5½	4½	3½	2½	2½	2½						
	6-G		4½	3½	3½	2½	3½	2½	4½	4	4½	3½	4½	3½	2½	2½				
	#6-H		5½	4½	5	4	03½	02½	04½	03½	3½	3	4½	3½	03½	03				
	#6-I		4½	3½	3½	2½	03½	03	05	04½	05½	04½	05	04	03½	02½				
Group 13		7½	6	6½	5½	4½	3½	4½	3½	4½	3½	5½	4½	6	5					
			SUB-GROUPS																	
			# 6-H							#6-I										
			Column A B							Column A B										
	Sub-Group																			
	#6-E		2½	2½																
	#6-I		04½	03½	2½	2½														
	Group 13		04½	3½	06½	05½														

* Change)
Addition) Decision No. 48054
o Reduction)
o Increase)

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San Francisco, California.

Correction No. 91

Item No.	SECTION NO. 2. RATES (Continued) In cents per 100 pounds	
DESCRIPTION OF GROUP 6 SUB-GROUPS (Applies only in connection with rates making specific reference hereto)		
SUB-GROUP NUMBERS	BOUNDARIES	
6-A	Bounded on the north by the northern boundary of Group 6 (see Item No. 50 series), on the east by La Brea Avenue, on the south by Imperial Highway and on the west by the Pacific Ocean.	
6-B	Bounded on the north by Imperial Highway, on the east by Vermont Avenue, on the south by Compton Boulevard, Redondo Beach Boulevard, Hawthorne Avenue and Torrance Boulevard, and on the west by the Pacific Ocean.	
*6-C	Bounded on the north by Carson Street and prolongation thereof to the east bank of the Los Angeles River, on the east by Norwalk Boulevard, Los Alamitos Boulevard and Bay Boulevard, on the south by the Pacific Ocean, and on the west by the east bank of the Los Angeles River.	
6-D	Bounded on the north by Garden Grove Boulevard, on the east by Huntington Beach Boulevard, and on the south and west by the Pacific Ocean.	
*220-B Cancels 220-A	*6-E	Bounded on the north by the northern boundary of Group 6 (see Item No. 50 series) and the Montebello Hills, on the east by the eastern city limits of Whittier, south to Artesia Boulevard, west to Norwalk Boulevard, north to Rosecrans Avenue, on the south by the northern boundary of Sub-Group 6-H and on the west by the east bank of the Los Angeles River to Slauson Avenue, thence on a direct line to the junction of Ninth Street and Downey Road, west on Ninth Street to the Los Angeles River, north to the junction of Mission Road and Macy Street, northeast on Mission Road to the northern boundary of Group 6.
	*6-F	Bounded by the northern boundary of Group 6 (see Item No. 50 series) and by Sub-Groups 6-A, 6-B, 6-E, 6-G and 6-H.
	*6-G	Bounded on the north by Compton Boulevard, on the east by the Los Angeles River, on the south by the Pacific Ocean, and on the west by Western Avenue, Ninth Street, Dodson Avenue, Western Avenue and prolongation thereof to the Pacific Ocean.
	#6-H	Bounded on the north by Rosecrans Avenue, southeast along Century Boulevard and its prolongation to Cerritos Avenue, northeast to Gardendale Street, southeast on a direct line to Woodruff Avenue and Rosecrans Avenue, east on Rosecrans Avenue, bounded on the east by Norwalk Boulevard, on the south by Carson Street, on the west by the east bank of the Los Angeles River.
	#6-I	Bounded on the east by Group 6-G, on the south and west by the Pacific Ocean, on the north by Group 6-B.
For Items Nos. 230-A and 240-D shown on Sixth Revised Page 15, see Second Revised Page 16.		
* Change) # Addition) Decision No. 43054		
EFFECTIVE JANUARY 15, 1953		
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Correction No. 92		

Item No.	SECTION NO. 2 RATES (Concluded) In Cents per 100 Pounds			
(3)	COMMODITY	FROM	TO	RATE
230-A Cancels 230	Petroleum Crude Oil as described in Item No. 30 series	Canoga Park (Los Angeles Zone 2, see Note 1)	Group 6	4½
(3) 240-D Cancels 240-C	Refined Petroleum Products as described in Item No. 30 series	BETWEEN		3½
	Black Oils as described in Item No. 30 series	Points within one Territorial Group or Points within incorporated cities (See Notes 2 and 3)		(1)3
	Liquefied Petroleum Gas			5½
	Asphalt and Road Oil			(2)5

- (1) Will not apply to transportation for which rates are specifically provided in Item No. 210 series.
 (2) Not subject to provisions of Supplement No. 3.

NOTE 1.-For description of Los Angeles Zone 2, see the Distance Table.

NOTE 2.-Will not apply between points situated within that portion of the City of Los Angeles lying north of the boundary line described in Item No. 50 series; nor between such points on the one hand and points situated within that portion of the City of Los Angeles lying south of said boundary line on the other.

NOTE 3.-See Item No. 40 series for description of numbered Territorial Groups.

*(3) For provisions in effect prior to the effective date hereof, see Sixth Revised Page 15.

* Change, Decision No. 4805-1

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 San Francisco, California.

Correction No. 93

made effective on or before January 15 ,1953, on not less than five (5) days' notice to the Commission and to the public.

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

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at Los Angeles , California, this 16th day of ✓
December, 1952.

R. Z. Johnson
President
James J. Cramer
Harold K. Hale
Herbert Patten
John E. Rischell
Commissioners