A. 32585 pc

Decision No. 48922

## ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Marter of the Application of John W. Doudell for authority to charge less than minimum rates as established by Decision 36208, Cases 4246 and 4434, as amended, for the transportation of petroleum and petroleum products within the State of California.

Application No. 32585 (2nd Supplemental)

## SECOND SUPPLEMENTAL OPINION AND ORDER

Applicant operates as a common carrier of bulk petroleum and petroleum products. By prior orders in this proceeding, he was authorized to publish rates lower than the established minimum rates for the transportation of crude oil and distillate fuel oil between certain specified points. The published rates expire September 3, 1953.

By supplemental application, filed July 28, 1953, permission is sought to continue to observe rates lower than the minimum rates for the transportation in question. Applicant proposes, however, to increase the rates presently authorized by 11 percent.

The verified supplemental application shows that, except for increased operating costs, the conditions surrounding the transportation involved which justified the establishment of reduced rates still obtain; that the increases in costs experienced by applicant are compensated by the proposed increases in rates; and that operations under the sought rates may reasonably be expected to be profitable.

It appears that this is a matter in which a public hearing is not necessary and that the sought authority is justified. Because conditions may change, however, the authority will be made to expire at the end of one year. So that the necessary tariff changes may be made effective concurrently with the expiration of the existing rates, applicant will also be authorized to amend the tariff on not less than five days' notice.

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Therefore, good cause appearing,

hereby authorized to publish and file, and to make effective on not less than five days' notice to the Commission and to the public, the following rates, to expire September 3, 1954, for the transportation of the specified commodities in bulk in tank truck equipment: (1) a rate of 17 cents per 42-gallon barrel on crude oil from oil wells in the Zaca Oil Field, situated six miles northeast of Zaca to Gaviota, (2) a rate of 14.5 cents per 42-gallon barrel on distillate fuel oil from Gaviota to the aforesaid wells, and (3) a rate of 17 cents per 42-gallon barrel on distillate fuel oil from Santa Maria and points within a radius of seven and one-half miles of the intersection of Stowell Road and Broadway Street, Santa Maria, to wells in the aforesaid Zaca Oil Field, and to depart from the provisions of Section 460 of the Public Utilities Code to the extent necessary to exercise the authority herein granted.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 47 day of August, 1953.

President

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