

ORIGINALDecision No. 56343

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
J. P. HAYNES, AGENT, for authority)	
to reduce certain rates in PSFB)	Application No. 39622
Tariff No. 252-D to meet pipeline)	
competition.)	

OPINION AND ORDER

By the above-entitled application, J. P. Haynes, on behalf of The Western Pacific Railroad Company, seeks authority to publish, on less than statutory notice, reduced rates on petroleum products from the San Francisco Bay area refineries and Sacramento to Doyle, Herlong, Loyalton, Portola and Blairsden.

The application states that the Southern Pacific Company has recently completed a pipeline for the transportation of refined petroleum products from the San Francisco Bay area to Sparks, Nevada, with facilities at the latter point for loading into tank trucks. It also shows that the combined pipeline rate to Sparks and tank truck rate from Sparks to the points named above located on Western Pacific are lower than the present rail rates to the California destinations named above. The proposed reduced rates are approximately equal to the combined pipeline truck rates. It is proposed to have the reduced rates apply to the points named only, in order to preserve revenues now received from intermediate rates not affected by the competitive situation. Applicant further states that the competition is a reality and that the reduced rates are necessary for Western Pacific to retain its participation in this traffic.

Interested carriers and shippers have been notified of the filing of the application. No one objects to its being granted. A public hearing is not necessary.

It appears, and the Commission so finds, that the proposed reduced rates are justified by transportation conditions. The application will be granted. By Decision No. 32608, dated December 5, 1939, in Cases Nos. 4246 and 4434, minimum rates for the transportation of refined petroleum products in tank cars by railroad common carriers were established. Certain of applicant's proposed rates are less than those minimum rates. Applicant will accordingly be authorized to deviate from the minimum rates to the extent necessary to establish the proposed rates.

Therefore, good cause appearing,

IT IS ORDERED:

(1) That J. P. Haynes, Agent, on behalf of The Western Pacific Railroad Company, be and he is hereby authorized to publish and file, on not less than five days' notice to the Commission and to the public, the reduced rates proposed in Application No. 39622, and to depart from the provisions of Article XII, Section 21, of the Constitution of the State of California and Section 460 of the Public Utilities Code to the extent necessary to establish the above authorized rates as nonintermediate in application.

(2) That applicant be and he is hereby authorized to deviate from the minimum rates established in Appendix "A" of Decision No. 32608 in Cases Nos. 4246 and 4434, to the extent necessary to establish the above authorized rates.

(3) That the authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

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

Dated at San Francisco, California, this 11th
day of MARCH, 1958.

E. N. Mitchell
President
Carl Lee
W. J. ...
C. ...
Commissioners