

58862

Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation into)
the rates, rules, and regulations,)
charges, allowances and practices of)
all common carriers, highway carriers)
and city carriers relating to the trans-)
portation of petroleum and petroleum)
products in bulk (commodities for which)
rates are provided in Minimum Rate)
Tariff No. 6).)

Case No. 5436
Petition for Modification
No. 26

OPINION AND ORDER

Tankways, a corporation, operates as a highway common carrier and petroleum irregular route carrier transporting petroleum and petroleum products in tank truck equipment between all points in California. Prior orders in Application No. 32585 authorized petitioner to publish rates lower than the established minimum rates for the transportation of crude oil and distillate fuel oil between oil wells in the Zaca Oil Field situated six miles from Zaca, on the one hand, and Gaviota, Santa Maria and points within a radius of seven and one-half miles from Santa Maria, on the other hand. The authorized rates are 19.3 and 16.8 cents per 42-gallon barrel, respectively. The published rates are scheduled to expire September 3, 1959.

By this petition authority is sought to continue to publish rates lower than the established minimum rates, but to increase the rates to 20 and 17.5 cents per 42-gallon barrel and to depart from the long-and-short-haul provisions of the Constitution of the State of California and of the Public Utilities Code, for a further one-year period.

The petition states that while there have been increases in costs, the operating results will be satisfactory under the proposed rates and no further increases in costs of any materiality are foreseeable for the ensuing year; that the revenues derived from the involved transportation service constitute a substantial portion of

petitioner's gross; and that without the revenue of this operation petitioner would be financially impaired. The petition further states that all of the advantages heretofore of record in the prior proceedings still exist. Data submitted with the application show that, under the proposed rates, the operations may reasonably be expected to be profitable during the ensuing year. The Transportation Division staff has reviewed the petition and has recommended that it be granted.

In the circumstances, it appears, and the Commission finds, that the proposed rates are reasonable and justified by transportation conditions. A public hearing is not necessary. The petition will be granted.

Therefore, good cause appearing,

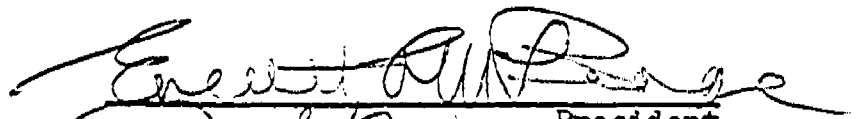
IT IS ORDERED:

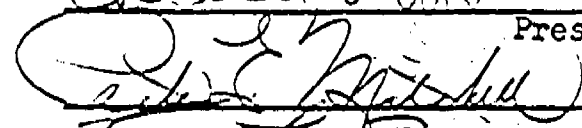
(1) That Tankways, a corporation, is hereby authorized to publish and file, and to make effective on not less than three days' notice to the Commission and to the public, the following rates to expire September 3, 1960, for the transportation of the specified commodities in bulk in tank truck equipment: (1) a rate of 20 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 17.5 cents per 42-gallon barrel on distillate fuel oil from Gaviota to the aforesaid wells; and (3) a rate of 20 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.

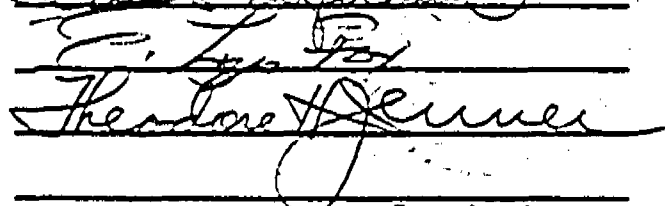
(2) That applicant is hereby authorized to depart from the long-and-short-haul provisions of Section 460 of the Public Utilities Code and Article XII, Section 21, of the Constitution of the State of California, to the extent necessary to exercise the authority herein granted.

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

Dated at San Francisco, California, this 11th day of August, 1959.



President




Commissioners