

ORIGINAL

Decision No. 63759

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Petition of
THE RIVER LINES, INC.,
J. C. FREESE COMPANY, INC., and
THE HARBOR TUG AND BARGE COMPANY

(I&S) Case No. 7355

For Suspension of Certain Rates Contained
in Local Pipeline Tariff 1-I (Cal. PUC
No. 5) of Southern Pacific Pipe Lines, Inc.

OPINION AND ORDER DISCONTINUING PROCEEDING

By petition filed May 18, 1962, The River Lines, Inc., J. C. Freese Company, Inc., and The Harbor Tug and Barge Company seek suspension and investigation of a certain tariff filed by Southern Pacific Pipe Lines, Inc., to become effective June 4, 1962. The tariff would establish rates for the transportation of petroleum products from Richmond and Concord to Chico.¹ Southern Pacific Pipe Lines, Inc. has not heretofore filed rates applying to Chico.

Petitioners are engaged in the transportation of petroleum products in bulk by barge on San Francisco Bay and the Sacramento and San Joaquin Rivers and tributaries thereof under tariffs on file with this Commission. Southern Pacific Pipe Lines, Inc. is a corporation operating in California under the jurisdiction of the Commission for the transportation of petroleum products in bulk by pipe line under tariffs also on file with the Commission.

¹

The tariff is designated as Southern Pacific Pipe Lines, Inc. Local Pipe Line Tariff 1-I, Cal. PUC 5. Procedures relating to the investigation and suspension of rates are set forth in General Order No. 113.

The petition alleges, among other things, that the extension of the pipe line facilities to serve Chico at the indicated rates is in furtherance of a plan of Southern Pacific Company and its subsidiaries, including Southern Pacific Pipe Lines, Inc., to monopolize the transportation of bulk oil in northern California.² Petitioners allege that the proposed rate is unlawful and improper because of conflict with the policy of this State as declared by the Legislature in Section 727 and interpreted by this Commission. Petitioners refer to certain complaint proceedings now pending before the Commission in which the same petitioners (as complainants) seek, among other things, a determination whether the extension of the pipe line to Chico is in the public interest, and the fixation of rates which maintain the differential over those of water carriers alleged to be required by Section 727.³ Petitioners urge that, pending the determination of the issues raised by these cases, Southern Pacific Pipe Lines, Inc., should not be allowed to institute a service which the Commission may find not to be in the public interest, nor should it be allowed to perform any service at rates which the Commission may find to be unlawful.

Respondent has filed a reply denying the allegations of the petition.

²The proposed rate is 25 cents per barrel of 42 gallons from both points of origin to Chico.

³Cases Nos. 7238, 7239 and 7241.

The petition for investigation and suspension will be denied without prejudice to any conclusions which may be reached in the aforesaid complaint cases.

Good cause appearing,

IT IS ORDERED that:

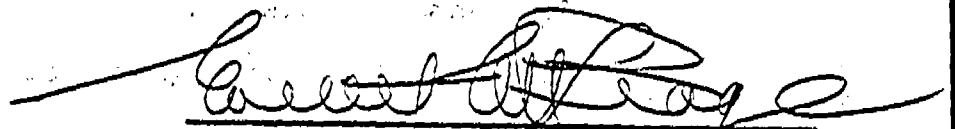
1. The petition of The River Lines, Inc., J. C. Freese Company, Inc., and The Harbor Tug and Barge Company, filed on May 18, 1962, in this proceeding, is hereby denied without prejudice.

2. Copies of this order shall be forthwith served upon Southern Pacific Pipe Lines, Inc., and upon each petitioner herein.

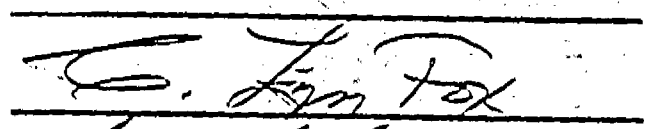
3. This proceeding is hereby discontinued.

The effective date of this order shall be the date hereof.

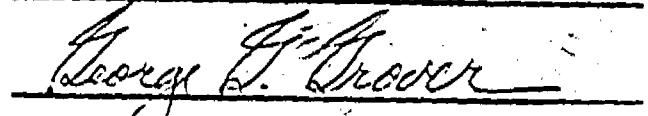
Dated at San Francisco, California, this 28th day of May, 1962.



President



C. Lynn Fox



George G. Grover



Frederick B. Hill
Commissioners