

ORIGINAL

Decision No. 66114

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 )  
by vacuum-type and pump-type tank )  
vehicles (including transportation )  
for which rates are provided in )  
Minimum Rate Tariff No. 13).

Case No. 6008

Petition No. 5  
(Filed April 1, 1963)

Arlo D. Poe, James Quintrall and J. C. Kaspar,  
for California Trucking Association,  
petitioner.

Anthony J. Konicki, Richard D. Brown, and  
E. J. McSweeney, for Pacific Motor Trucking  
Company, respondent.

R. T. Hunt (by Robert L. McCue), for Richfield  
Oil Corporation, protestant.

M. O. Nysether, for Union Oil Company of  
California, interested party.

E. J. Dunne (by Merlyn N. Richmond), for Shell  
Oil Company, interested party.

W. J. Knoell, for Western Motor Tariff Bureau,  
Inc., interested party.

J. M. Jenkins and Leonard R. Diamond, for the  
Commission staff.

O P I N I O N

By this petition the California Trucking Association  
seeks increases in the rates and charges in Minimum Rate Tariff  
No. 13 that apply for the transportation of liquid commodities

and commodities in suspension in liquids or in semi-plastic form when such transportation is performed by for-hire carriers by means of vacuum-type and pump-type tank vehicles.

Public hearing on the petition was held before Examiner Abernathy at Los Angeles on May 24, 1963. Evidence was presented by petitioner through its assistant director of research. Members of the Commission's staff participated in the development of the record. The petition was opposed by a representative of the Richfield Oil Corporation.

Petitioner's witness testified that the most recent adjustment of the rates in Minimum Rate Tariff No. 13 was made in March, 1962, on the basis of the level of operating costs that had been in effect since November 1, 1961. He stated that the carriers' costs of providing the services involved have since increased, and that the most substantial of the increases have been those in the costs of labor and related costs. According to an exhibit which the witness submitted, the increases in labor and related costs range from about 9 to 13 percent, and the increases which have occurred in the carriers' total operating costs as a consequence range from about 4 to 7 percent.

Petitioner proposes that the rates in Minimum Rate Tariff No. 13 be increased only to the extent necessary to compensate for the increases in the labor and related costs.<sup>1</sup>

The sought rate increases were opposed by Richfield Oil Corporation on the grounds that the resultant rates would be

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<sup>1</sup> The present and proposed rates and charges are set forth in Appendix "A", attached hereto.

excessive and would stimulate diversion of the traffic involved to shipper owned or operated transportation facilities. The oil company's representative declared that as an alternative to increases in rates the carriers should seek to meet the increased costs through the establishment of rates which would provide shippers with an incentive toward more extensive use of the carriers' services.

The record in this matter is clear that since March, 1962, when the rates in Minimum Rate Tariff No. 13 were last adjusted, the carriers have experienced increases in labor and related costs which are not reflected in the rates. In the measurement of the impact of the cost increases upon the carriers' total operating costs, applicant has followed the same method used heretofore in the calculation of cost data upon which adjustments in Minimum Rate Tariff No. 13 have been made. The increased labor and related costs were applied to cost exhibits of record upon which the present rates were developed. By comparison of the resultant figures with the corresponding figures in the exhibits the amounts of the increases in costs were calculated.

The validity of this method of determining the cost increases rests in part upon cost data reflecting transportation conditions in effect prior to 1957 when Minimum Rate Tariff No. 13 was first established. It appears that petitioner has not made a recent study to determine whether or not there has been any improvement in said transportation conditions which would tend to offset the effect of the cost increases shown. Hence, it appears that allegations of Richfield Oil Corporation that the proposed ✓

rates would be excessive in present circumstances and would lead to increased use of shipper-owned transportation facilities may have some foundation. Nevertheless, we are persuaded that for the purposes of the instant phase of this proceeding, and we so find, that the method used by petitioner has fairly measured the extent of the cost increases.<sup>2</sup> We find that in relation to the increased costs of service the present rates in Minimum Rate Tariff No. 13 are unreasonably low. We further find that increases in said rates as herein sought have been shown to be justified, and that as so increased the resulting rates are, and will be just, reasonable and nondiscriminatory minimum rates and charges for the services to which they will apply.

We further find that to the extent that the provisions of Minimum Rate Tariff No. 13 have been found heretofore to constitute reasonable minimum rates, rules and regulations for common carriers as defined in the Public Utilities Act, said provisions as hereinafter amended are, and will be, reasonable minimum rate provisions for said common carriers. To the extent that existing rates and charges of said common carriers for the transportation involved are less in volume or effect than the minimum rates and charges herein designated as reasonable for said carriers, to that same extent the rates and charges of said carriers are hereby found to be, now and for the future, unreasonable, insufficient

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<sup>2</sup> Should petitioner undertake to seek in a subsequent phase of this proceeding further increases in the rates in Minimum Rate Tariff No. 13, it should undertake to establish that the data upon which it relies are reasonably representative of the circumstances then applicable to the transportation involved.

and not justified by the actual competitive rates of competing carriers or by the costs of other means of transportation. Said common carriers, as hereinafter listed in Appendix "B", attached hereto, will be directed by the Order below to increase their rates and charges to the level of those as herein prescribed in Minimum Rate Tariff No. 13. The directive herein shall not be construed, however, as authorizing or directing said common carriers to effect increases in their rates and charges for transportation services performed wholly in territory within the exterior boundaries of a city, or city and county, including the area of any city situated wholly within such outside limits -- transportation services which are not within the scope of Minimum Rate Tariff No. 13. Neither should the directive be construed as authorizing or directing said common carriers to effect increases in their rates and charges which, in volume or effect, exceed the rates and charges applicable pursuant to the provisions of Minimum Rate Tariff No. 13, as herein amended.<sup>3</sup>

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<sup>3</sup> In some instances carriers publish and maintain in their tariffs rates, rules or regulations which result in their assessing greater charges than those which apply as minimum under the provisions of Minimum Rate Tariff No. 13. Except to the extent that the charges of said carriers may be less than those under the increased minimum rates herein prescribed, said carriers' charges are not in issue herein and no finding nor order is made with respect thereto.

O R D E R

IT IS ORDERED:

1. That Minimum Rate Tariff No. 13 (Appendix "B" of Decision No. 55584, as amended) be and it hereby is further amended by incorporating therein, to become effective November 23, 1963. the revised pages which are attached hereto and which are numbered as follows:

Fourth Revised Page 7  
Fourth Revised Page 12

2. That those common carriers whose names are listed in Appendix "B" hereto, which appendix is made a part hereof by this reference, be and they are hereby directed to amend their respective tariffs to establish and maintain rates, charges, rules and regulations for their services (except those performed wholly within the exterior boundaries of a city) which are no lower in volume or effect than the rates, charges, rules and regulations set forth in Minimum Rate Tariff No. 13, as amended; that said common carriers shall thereafter abstain from maintaining charges or accessorial charges lower in volume or effect than those set forth in, or accruing under the provisions of, Minimum Rate Tariff No. 13, as amended, and from observing rules resulting in charges lower in volume or effect than those set forth in said minimum rate tariff; that tariff publications required to be made by said common carriers as a result of the order herein may be made effective not earlier than the effective date hereof and upon not less than five days' notice to the Commission and to the public, and that such tariff publications shall be made effective not later than November 23, 1963.

3. That in all other respects the aforesaid Decision No. 55584, as amended, shall remain in full force and effect.

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

Dated at San Francisco, California, this 1st day of OCTOBER, 1963.

William W. Brundage  
President

[Signature]

Charles W. Page

George H. Brewer

Frederick B. Hallock  
Commissioners

APPENDIX "A" TO DECISION NO. 66114Present and Proposed Rates and ChargesHourly Rates for Vacuum-Type Tank Vehicles (See Note)

<u>Capacity of Equipment (in barrels)</u>		<u>Present Rates</u>		<u>Proposed Rates</u>	
<u>More than</u>	<u>But not more than</u>	<u>Territory</u>		<u>Territory</u>	
		<u>A</u>	<u>B</u>	<u>A</u>	<u>B</u>
0	35	\$10.35	\$10.60	\$10.90	\$11.35
35	45	10.70	11.10	11.20	11.80
45	60	11.80	12.10	12.35	12.85
60	80	12.75	13.10	13.30	13.80
80	95	13.60	13.85	14.15	14.55
95	-	14.65	14.85	15.20	15.60

Territory "A" -- Counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego and Imperial.

Territory "B" -- All counties other than those in Territory "A".

Note: The hourly rates for pump-type tank vehicles are \$1.00 per hour less.

Rate for Help in Addition to Driver

	<u>Rate per Man per Hour</u>
Present	\$4.85
Proposed	\$5.40

(End of Appendix "A")



APPENDIX "B" TO DECISION NO. 66114

Common Carriers (as defined in the Public Utilities Act)  
Required to Maintain Rates, Rules and Regulations No Lower  
in Volume or Effect than the Rates, Rules and Regulations  
in Minimum Rate Tariff No. 13.

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J. T. Hutchison & T. R. Bellamy, dba (doing business as)  
B & H Service  
4705 South Blosser  
Santa Maria, California

Perry A. Redwine, dba  
B & R Service Company  
Cuyama, California  
  
9405 Marvin Street  
Bakersfield, California \*

Grace Barnett, dba  
Marvin Barnett Vacuum Truck Service  
337 Third Street  
Fillmore, California

Capitol Tank Line, Inc.  
2500 North Alameda  
Compton, California

Chancellor & Ogden, Inc.  
3365 Cherry Avenue  
Long Beach 7, California

Coast Tank Service Co.  
1634 East Denni Street  
Wilmington, California

Gene W. East, dba  
Gene W. East Vacuum Truck Service  
1350 West 228th Street  
Torrance, California

Fairbanks, E. E. & Fairbanks, D. E.  
518 - 17th Street  
Huntington Beach, California

Fix & Brain Vacuum Truck Service  
233 "D" Street  
Wilmington, California

P. O. Box 76  
Wilmington, California \*

R. L. Floyd, dba  
R. L. Floyd Vacuum & Pump Truck Service  
San Bernardino, California

P. O. Box 1043  
Wilmington, California \*

Walter E. Gilliard & Glen E. Price, dba  
W. E. Gilliard Vacuum Truck Service  
918 Crenshaw Boulevard  
Torrance, California

P. O. Box 584  
Torrance, California \*

E. Hanks, dba  
Eddie Hanks Vacuum Truck Company  
23550 West Lyons Avenue  
Newhall, California

Estero Corporation, dba  
Hi-Ball Trucking  
850 W. 10th Street  
Azusa, California

Leslie M. & Raymond R. Holbrook, dba  
Holbrook & Sons  
12637 Los Nietos Road  
Santa Fe Springs, California

Hollow Rod of California  
2176 North Ventura Boulevard  
Ventura, California

Jack T. Jomar, dba  
J & G Oil Well Service  
P. O. Box 595  
Ventura, California

Jackson Supply Company, Inc.  
P. O. Box 542  
Taft, California

Roy L. Johnston, dba  
Johnston Vacuum Tank Service  
432 Naylor Avenue  
Taft, California

Lacey Trucking Co.  
27th & Lime Avenue  
Long Beach 7, California

B. L. Lunsford, dba  
Lunsford Tank Lines  
P. O. Box 372  
Maricopa, California

Kyle O. Mayes & Jimmie C. Mayes, dba  
Kyle O. Mayes Co.  
18703 South Broadway  
Gardena, California

Frank McKay, dba  
McKay Trucking Company  
P. O. Box 516  
Coalinga, California

V. B. Morgan Co.  
P. O. Box 547  
Barstow, California

R. H. Morrison  
2705 Dawson Avenue  
Long Beach, California

Homer Lee Myers, dba  
Homer L. Myers Trucking  
18813 Soledad Canyon Road  
Saugus, California

2244 West 13th Street  
Newhall, California \*

National Tank Lines  
812 South Greenleaf Avenue  
Whittier, California

Thomas Neely, dba  
Neely's Vacuum Truck Service  
P. O. Box 1026  
Newhall, California

Ottis E. Pittman & Earl T. Pittman, dba  
Ott's Vacuum Truck Service  
3618 Associated Road  
Brea, California

Parker & Martin, Inc.  
12282 Whittier Avenue  
La Habra, California

P. O. Box 487  
La Habra, California\*

L. W. Potter Trucking Company, Inc.  
403 Real Road  
Bakersfield, California

President Tank Lines, Inc.  
12500 East Rush Street  
El Monte, California

Richards Trucking  
445 Carolina Street  
San Francisco, California

Rich-Sand Service Co.  
P. O. Box 1803  
Orcutt, California

Routh Transportation  
800 West 15th Street  
Long Beach, California

George W. Forguer, Joseph V. Brink & Max Rudolph, dba  
Max Rudolph Company  
P. O. Box 108  
Santa Paula, California

Bill T. Small, dba  
Bill T. Small Vacuum Truck Company  
23928 Lyons Avenue  
Newhall, California

1506 Lyons Avenue  
Newhall, California \*

T. A. Smith, dba  
T. A. Smith Trucking  
P. O. Box 1852  
Ventura, California

L. L. Kirchhof, dba  
Speed's Oil Tool Service  
P. O. Box 816  
Santa Maria, California

Carl L. Steverson, J. L. Steverson, H. G. Tibbett  
and R. C. Schwertzer, dba  
Steverson Bros. Co.  
18062 Gothard  
Huntington Beach, California

Superior Vacuum Trucks of Long Beach  
3051 San Francisco Avenue  
Long Beach, California

Marvin R. & Romona L. Tidwell, dba  
Marvin Tidwell Trucking  
2826 Channel Drive  
Ventura, California

Union Truck Company, Inc.  
2481 North Ventura Avenue  
Ventura, California

P. O. Box 1131  
Ventura, California \*

Valley Vacuum Tank Truck Service, Inc.  
1202 Crawford Street  
Bakersfield, California

P. O. Box 1558  
Bakersfield, California \*

Webster Tank Truck Service, Inc.  
12540 East Los Nietos Road  
P. O. Box 2007  
Los Nietos, California

Bob W. Clark, dba  
Wilco Vacuum Service  
301 Supply Road  
Taft, California

500 Supply Road  
Taft, California \*

\* (mailing address)

(End of Appendix "B")

SECTION NO. 1 - RULES AND REGULATIONS (Continued)	Item No.																												
<p style="text-align: center;"><b>ACCESSORIAL CHARGES</b></p> <p>When carrier furnishes help in addition to the driver, an additional charge of \$5.40 per man per hour shall apply. The time for computing the additional charge shall be not less than the actual time in minutes the helper or helpers are engaged in performing the services. The total time so computed shall be converted into hours and fractions thereof. Fractions of an hour shall be determined in accordance with the table provided in Item No. 80.</p>	660																												
<p style="text-align: center;"><b>MINIMUM CHARGE</b></p> <p>The minimum charge per shipment shall be that for two hours of service at the applicable rate.</p>	70																												
<p style="text-align: center;"><b>COMPUTATION OF TIME</b></p> <p>Charges shall be computed on the basis of the total hours, and/or fraction thereof, from the time that driver and vehicle report for service pursuant to shipper's order to the time of completion of service under such order, less any time during such period that carrier's equipment is inactivated because of mechanical failure and/or driver is off duty, and less any time involved in performing transportation not subject to the provisions of this tariff. After the net time has been so determined, it shall be converted into hours and/or fractions thereof. Fractions of an hour shall be determined in accordance with the following table:</p> <table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;"><u>Minutes</u></th> <th></th> <th></th> </tr> <tr> <th style="text-align: center;"><u>More Than</u></th> <th style="text-align: center;"><u>But Not More Than</u></th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">0</td> <td style="text-align: center;">8</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">Omit</td> </tr> <tr> <td style="text-align: center;">8</td> <td style="text-align: center;">23</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">Shall be <math>\frac{1}{4}</math> hour</td> </tr> <tr> <td style="text-align: center;">23</td> <td style="text-align: center;">38</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">Shall be <math>\frac{1}{2}</math> hour</td> </tr> <tr> <td style="text-align: center;">38</td> <td style="text-align: center;">53</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">Shall be <math>\frac{3}{4}</math> hour</td> </tr> <tr> <td style="text-align: center;">53</td> <td style="text-align: center;">60</td> <td style="text-align: center;">-----</td> <td style="text-align: center;">Shall be 1 hour</td> </tr> </tbody> </table>	<u>Minutes</u>				<u>More Than</u>	<u>But Not More Than</u>			0	8	-----	Omit	8	23	-----	Shall be $\frac{1}{4}$ hour	23	38	-----	Shall be $\frac{1}{2}$ hour	38	53	-----	Shall be $\frac{3}{4}$ hour	53	60	-----	Shall be 1 hour	80
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<p style="text-align: center;"><b>UNITS OF MEASUREMENT IN QUOTATION OF RATES AND CHARGES</b></p> <p>Rates or accessorial charges shall not be quoted or assessed by carriers based upon a unit of measurement different from that in which the minimum rates and charges in this tariff are stated.</p>	90																												
<p style="text-align: center;"><b>SHIPMENTS TO BE RATED SEPARATELY</b></p> <p>Each shipment shall be rated separately. Shipments shall not be consolidated nor combined by the carrier.</p>	100																												
<p style="text-align: center;"><b>REFERENCES TO ITEMS AND OTHER TARIFFS</b></p> <p>Unless otherwise provided, references herein to item numbers in this or other tariffs include references to such numbers with letter suffix, and references to other tariffs include references to amendments and successive issues of such other tariffs.</p>	110																												

⌘ Change )  
◇ Increase } Decision No. 66114

EFFECTIVE NOVEMBER 23, 1963

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.  
Correction No. 14

SECTION NO. 2 - HOURLY RATES				Item No.
Capacity of Equipment (in barrels)		Rates In Dollars per Hour (See Note)		
<u>More Than</u>	<u>But Not More Than</u>	<u>Territory "A"(1)</u>	<u>Territory "B"(2)</u>	
0	35	\$10.90	\$11.35	#200
35	45	11.20	11.80	
45	60	12.35	12.85	
60	80	13.30	13.80	
80	95	14.15	14.55	
95	-	15.20	15.60	

- (1) Territory "A" consists of the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego and Imperial.
- (2) Territory "B" consists of all counties in California other than those included in Territory "A."

NOTE.-The rates named are for transportation by vacuum-type tank vehicles. Where the transportation is performed by pump-type tank vehicles, the applicable rates are \$1.00 per hour less than those for transportation in vacuum-type tank vehicles.

/ Change        )  
 ◊ Increase     )    Decision No.   **66114**

EFFECTIVE NOVEMBER 23, 1963

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

Correction No. 15