

**ORIGINAL**

Decision No. 72815

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of THE RIVER LINES, INC. and )  
BEERS & MINNIS, a General Partnership )  
consisting of EDWIN A. BEERS and WILLIAM )  
G. MINNIS, for authority to increase rates )  
and charges for transportation of petroleum )  
and petroleum products, in bulk. )

Application of BAY CITIES TRANSPORTATION )  
COMPANY, a corporation, for an order )  
authorizing it to cancel its tariff Cal. )  
P.U.C. No. 18 which names rates for the )  
transportation of petroleum and petroleum )  
products, in bulk. )

Applicant of J. C. FREESE COMPANY, INC., )  
a corporation, for an order authorizing )  
increases in its rates and charges for )  
the transportation of petroleum and )  
petroleum products, in bulk. )

Application No. 49412  
(Filed May 31, 1967)

Application of HARBOR CARRIERS, INC., a )  
corporation, for an order authorizing )  
increases in its rates and charges for )  
the transportation of petroleum and )  
petroleum products, in bulk. )

OPINION AND ORDER

By this application, The River Lines, Inc., or Beers &  
<sup>1</sup> Minnis and Bay Cities Transportation Company, J. C. Freese Com-  
pany, Inc., and Harbor Carriers, Inc., seek authority (a) to in-  
crease their rates and charges by approximately 21 and 33-1/3  
percent for the respective transportation of clean and black oils  
in bulk on San Francisco Bay, the Sacramento and San Joaquin Rivers  
and tributaries thereto, <sup>2</sup> (b) to increase the minimum barge load

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<sup>1</sup> Pursuant to request of The River Lines, Inc., and Beers & Minnis,  
the order herein will be issued to the latter party inasmuch as  
the operative rights involved have been transferred from the  
former party to the latter party pursuant to Decision No. 72494  
dated May 23, 1967, in Application No. 49229.

<sup>2</sup> "Clean oil" includes diesel fuel oil, diesel furnace oil, gasoline  
and stove oil. "Black oil" consists of petroleum fuel oil.

quantities to reflect the increased size of the barges operated<sup>3</sup> and (c) to cancel certain rates.<sup>4</sup> Applicants also request authority to publish the sought rate adjustments on less than statutory notice.

Applicants state that basic wages have increased by 35 percent for towboat operators and tankermen and by 42 percent for deck hands and that pension contributions have increased by 380 percent for towboat operators and by 300 percent for tankermen and deck hands since May of 1960. Applicants aver that drastic increases in wages and fringe benefits paid to employees are contained in two new three-year labor contracts entered into with the Marine Engineers Beneficial Association and the Inland Boatman's Union. Applicants declare that both agreements will terminate June 1, 1969, and that additional increases in labor costs will confront them in the future inasmuch as annual increase provisions are included in the contracts.

Applicants allege that the last rate increases, which were granted to them in May of 1960, applied only on clean oils and were removed on July 1, 1961, when they reduced the rates involved in an effort to retain traffic, which was being lost to the competing pipeline company. Applicants assert that there has been a very great diminution in the number of barrels of petroleum products available to them due to the building of new, and the extension of old, pipelines by the competing pipeline company and by individual petroleum companies. According to Exhibit C attached

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<sup>3</sup> Increases in the barge load quantities generally range from 2,000 to 12,000 gallons depending upon the movement and the particular commodities transported.

<sup>4</sup> The rates sought to be canceled are set forth in Exhibits A-1, A-2, A-3 and A-4 attached to the application.

to the application, the volume of clean oil traffic handled by the aforementioned carriers in 1966 amounted to 31,500,000 barrels and a diminution of 15,300,000 barrels is anticipated for the period, June 1, 1967, to May 31, 1968, leaving a volume of 16,200,000 barrels for such period.

The certificate of service shows that copies of the application were mailed on May 31, 1967, to all customers using the services of applicants during 1967. The application was listed on the Commission's Daily Calendar of June 1, 1967. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that increases in rates as proposed in the application are justified. A public hearing is not necessary. The Commission concludes that the application should be granted.

IT IS ORDERED that:

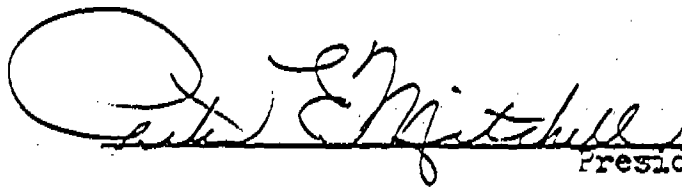
1. Beers & Minnis, Bay Cities Transportation Company, J. C. Freese Company, Inc., and Harbor Carriers, Inc., are hereby authorized to publish and file increased rates as set forth in Application No. 49412.



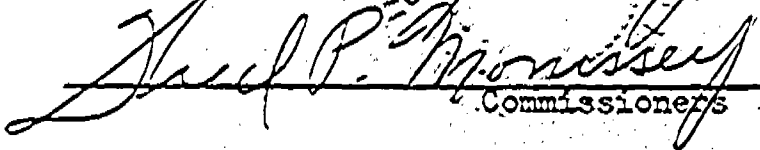
2. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

3. The authority herein granted shall expire unless exercised within ninety 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 25<sup>th</sup> day of  
✓ July, 1967.

  
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President

  
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Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.