

Decision 88 01 014 JAN 13 1988

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation)
for the purpose of considering and)
determining minimum rates for)
transportation of sand, rock, gravel,)
and related items in bulk, in dump)
truck equipment between points in)
California as provided in Minimum)
Rate Tariff 7-A and the revisions)
or reissues thereof.)

Case 5437
Petition for Modification 335
(Filed August 4, 1987)

OPINION

By this petition Arco CQC Kiln, Inc. (ARCO CQC) requests that certain movements of petroleum coke for export within the Los Angeles Harbor Commercial Zone be exempted from Minimum Rate Tariff 7-A (MRT 7-A) and that the document entitled "Commodities and Geographic Areas Exempt from Rate Regulation" (Exempt List) also be modified to reflect these exemptions.

ARCO CQC is a broker of petroleum coke in the Los Angeles Harbor Area. Item 70(b) of MRT 7-A presently contains the following provision:

"Rates in this Tariff do not apply to the transportation of:

"(b) Petroleum coke for export when transported among the following points in the Los Angeles Harbor Commercial Zone: Shell Oil Company Refinery, Wilmington; Texaco Oil Company Refinery, Wilmington; Long Beach Pier G, Berth 212; International Minerals & Chemical Corporation's storage facility at Los Angeles Harbor; and Koch Carbon's storage facility in the City of Carson within the Los Angeles Harbor Commercial Zone."

ARCO CQC requests the following points be added to existing Item 70(b):

1. Atlantic Richfield Refinery, Carson, within the Los Angeles Harbor Commercial Zone.
2. ARCO CQC Kiln, Inc.'s facility, Wilmington, within the Los Angeles Harbor Commercial Zone.

Petitioner also requests that the Exempt List be modified to include the two points listed above.

ARCO CQC must now pay the distance rates contained in MRT 7-A for the transportation of petroleum coke destined for export from the Atlantic Richfield Refinery in Carson direct or via ARCO CQC's facility in Wilmington to Pier G in Long Beach, and from ARCO CQC's facility to Pier G. This places ARCO CQC at a competitive disadvantage with its competitors whose shipping points are presently listed in Item 70(b) of MRT 7-A since those shippers are able to negotiate lower rates for the transportation of petroleum coke among those points within the Los Angeles Harbor Commercial Zone.

The petition states that in Decision (D.) 83-06-019 (Case 5437, OSH 309) the Commission found the exemption requested by International Minerals and Chemicals Corporation (IMC) was warranted because of the unique characteristics of the haul, including: automatic, rapid transloading devices at the Shell Refinery and IMC warehouse on Pier G; favorable traffic conditions; continuous year-round movements; and constant, rapid trip-cycle times and high equipment use factors with most of the characteristics relating to non-carrier facilities. D.83-06-019 also stated that an exemption was preferable to requiring individual carriers to file for deviations under Resolution TS-284.

In D.85-03-078, the Commission found that the special circumstances which justified the granting of exemption to IMC also applied to the transportation of petroleum coke by Koch Carbon,

Inc. (Koch). Those special circumstances included: high speed loading and unloading facilities; favorable traffic conditions; continuous year-round movements; and constant, rapid trip-cycle times and high use factors.

Petitioner believes the relief requested by this petition is similar to the relief granted IMC in D.83-06-019, dated June 1, 1983 (Case 5437, OSH 309) and the relief granted Koch in D.85-03-078, dated March 20, 1985 (Case 5437, Petition 324), for the following reasons:

1. ARCO CQC, a broker and processor of petroleum coke, has contracts with the Atlantic Richfield Company which operates a large refinery in the City of Carson. This refinery produces approximately 3,000 tons per day of "green" petroleum coke. Atlantic Richfield Company has a storage barn and field with a storage capacity of over 50,000 tons "green" petroleum coke from which ARCO CQC ships approximately 1,000,000 tons of "green" petroleum coke annually, 600,000 tons to Pier G, Long Beach, and 400,000 tons to ARCO CQC in Wilmington from where, after processing, approximately 350,000 tons of calcined coke is shipped annually to Pier G, Long Beach. ARCO CQC controls and pays for this transportation performed by independent truckers utilizing five-axle double-bottom hopper truck equipment, hauling approximately 26 tons of petroleum coke per truckload.
2. Loading at the Atlantic Richfield Refinery is performed by high capacity front-end loaders averaging 3 to 4 minutes per truck. Loading at ARCO CQC is from automatic overhead conveyors and takes 2 minutes per truck plus 1 to 2 minutes additional for wheel washing and turning.
3. Unloading into underground belt conveyors at Pier G, Long Beach, and at ARCO CQC, Wilmington takes approximately 2 minutes per truck.

4. Complete trip cycle times, including loading and unloading, based on loads per truck per 8-hour day, are as follows:
 - (a) Atlantic Richfield Refinery to Pier G, Long Beach - 43 minutes.
 - (b) Atlantic Richfield Refinery to ARCO CQC, Wilmington - 34 minutes.
 - (c) ARCO CQC, Wilmington to Pier G, Long Beach - 34 minutes.
5. Favorable traffic conditions exist as the Terminal Island Freeway and the Long Beach Freeway are utilized.
6. High use factor is obtained because of the large volume of movement generally unaffected by weather conditions.
7. Storage capacity for points in this petition: Atlantic Richfield Refinery, Carson - over 50,000 tons including ARCO barn and field. ARCO CQC, Wilmington - inbound barn - 10,000 tons and silos - 20,000 tons. Pier G - Long Beach - Barn used for coke from ARCO CQC - 50,000 tons.
8. "Green" coke transported from the Atlantic Richfield Refinery, Carson, is loaded directly to ship or to storage using underground belt conveyors.

The petitioner believes that the special circumstances which justified the granting of the exemption to IMC and to Koch also apply in connection with the transportation of petroleum coke performed for ARCO CQC. These special circumstances include high speed loading and unloading facilities, including an automated conveyor-belt system; favorable traffic conditions with the routes of movement being principally on the Long Beach Freeway; continuous year-round movements; and constant, rapid trip-cycle times and high use factors.

In the circumstances, ARCO CQC's request for exemption from the rates in MRT 7-A, and for the concurrent publication of the same exemption in the Exempt List, is reasonable.

Notice of filing of the petition appeared in the Commission's Daily Transportation Calendar. No protest to the granting of the petition has been received.

Transportation Division staff have reviewed the application and believe that it is one which, in the absence of protest, may be granted by ex parte order.

Findings of Fact

1. By D.85-03-078, dated March 20, 1985, in Case 5437, OSH 324, the following transportation was exempt from rates contained in MRT 7-A:

"(b) Petroleum coke for export when transported among the following points in the Los Angeles Harbor Commercial Zone: Shell Oil Company Refinery, Wilmington; Texaco Oil Company Refinery, Wilmington; Long Beach Pier G, Berth 212; International Minerals & Chemical Corporation's storage facility at Los Angeles Harbor; and Koch Carbon's storage facility in the City of Carson within the Los Angeles Harbor Commercial Zone."

2. ARCO CQC must now pay the distance rates contained in MRT 7-A for the transportation of petroleum coke destined for export from the Atlantic Richfield Refinery in Carson direct or via ARCO CQC's facility in Wilmington to Pier G in Long Beach, and from ARCO CQC's facility to Pier G. This places ARCO CQC at a competitive disadvantage with its competitors whose shipping points are presently listed in Item 70(b) of MRT 7-A since those shippers are able to negotiate lower rates for the transportation of petroleum coke among those points within the Los Angeles Harbor Commercial Zone.

3. Petitioner requests the following points be added to the existing Item 70(b):

- a. Atlantic Richfield Refinery, Carson, within the Los Angeles Harbor Commercial Zone.
- b. ARCO CQC Kiln, Inc.'s facility, Wilmington, within the Los Angeles Harbor Commercial Zone.

4. Petitioner also requests that the Exempt List be concurrently modified to reflect these new MRT 7-A exemptions.

5. The transportation characteristics of the ex-vessel movements by dump truck of petroleum coke within the Los Angeles Harbor Commercial Zone for IMC and for Koch are very similar to those surrounding the transportation of petroleum coke for ARCO CQC, as described in D.83-06-019 and in D.85-03-078.

Conclusions of Law

1. The petition should be granted.
2. The Exempt List should be amended in accordance with our discussion above.
3. A public hearing is not necessary.

ORDER

IT IS ORDERED that:

1. Minimum Rate Tariff 7-A (Appendix B to D.82061, as amended) is further amended by incorporating Fifteenth Revised Page 10 and Fifteenth Revised Page 11, attached, to become effective 39 days after today.
2. The document "Commodities and Geographic Areas Exempt from Rate Regulation" is amended by incorporating Third Revised Page 5, attached, to become effective 39 days after today.

3. Tariff publications authorized to be made by common carriers as a result of this order shall be made effective not earlier than 39 days after today, and may be made effective on not less than 5 days' notice to the Commission and to the public if filed not later than 60 days after the effective date of the minimum rate tariff pages incorporated in this order.

4. In all other respects D.82061, as amended, shall remain in full force and effect.

5. The Executive Director shall serve a copy of this decision on every common carrier, or such carrier's authorized tariff publishing agent, performing transportation services subject to Minimum Rate Tariff 7-A, and on each subscriber to MRT 7-A.

6. The Executive Director shall serve a copy of the revision to the list of Commodities and Geographic Areas Exempt from Rate Regulation on each highway common carrier and each highway contract carrier.

7. The petition is granted.

This order becomes effective 30 days from today.

Dated JAN 13 1988, at San Francisco, California.

DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners

Commissioner Stanley W. Hulett
being necessarily absent, did
not participate.

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.

Victor Weissen
Victor Weissen, Executive Director

SECTION 1--RULES (Continued)	ITEM		
<p style="text-align: center;">APPLICATION OF TARIFF--COMMODITIES</p> <p>When reference is made to this item, rates apply to the transportation of the following commodities:</p> <table border="0"> <tr> <td style="vertical-align: top;"> Coke, petroleum; Concrete, broken, asphaltic or hydraulic; Concrete, premixed, wet; Debris: From street or highway maintenance, including ice, mud and slush; also debris from drainage or flood control construction and/or maintenance projects; </td><td style="vertical-align: top;"> Fodder: Chopped green corn and sorghum grain plants, including heads, stalks and leaves; Salt cake (crude sulphate of soda); and Slurry (mixed sand, dust, crushed stone and/or gravel, wet). </td></tr> </table>	Coke, petroleum; Concrete, broken, asphaltic or hydraulic; Concrete, premixed, wet; Debris: From street or highway maintenance, including ice, mud and slush; also debris from drainage or flood control construction and/or maintenance projects;	Fodder: Chopped green corn and sorghum grain plants, including heads, stalks and leaves; Salt cake (crude sulphate of soda); and Slurry (mixed sand, dust, crushed stone and/or gravel, wet).	60
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<p style="text-align: center;">APPLICATION OF TARIFF--PAGES</p> <p>Unless otherwise provided, amendment of a page will be made by reprinting the page and showing a revision number. The revision numbers will be used in consecutive numerical order beginning with "First Revised Page". A revised page cancels any uncanceled revised or original pages which bear the same page number. Specific cancellation shall be made of pages containing rates or provisions under suspension or held in force by reason of suspension.</p>	65		
<div style="text-align: right; margin-bottom: 10px;">88 01 014</div> <p>No change on this page, Decision No.</p>			
<div style="text-align: right; margin-bottom: 10px;">EFFECTIVE FEB 21 1988</div> <div style="display: flex; justify-content: space-between;"> Correction ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA. </div>			

ITEM	SECTION 1--RULES (Continued)												
	<p align="center">APPLICATION OF TARIFF--GENERAL</p> <p>Rates in this tariff do not apply to the transportation of:</p> <p>(a) Disaster Supplies, i.e., those commodities which are allocated to provide relief during a state of extreme emergency or state of disaster; and those commodities which are transported for a civil defense or disaster organization established and functioning in accordance with the California Disaster Act to ultimate point of storage or use prior to or during a state of disaster or state of extreme emergency.</p> <p>(b) Petroleum coke for export when transported among the following points in the Los Angeles Harbor Commercial Zone: Shell Oil Company Refinery, Wilmington; Texaco Oil Company Refinery, Wilmington; Long Beach Pier "C", Berth 212; International Minerals & Chemical Corporation's storage facility, ** Los Angeles Harbor; ** Koch Carbon's storage facility, ** Carson; *Atlantic Richfield Company Refinery, Carson; and *Arco COC Kiln, Inc.'s facility, Wilmington, within the Los Angeles Harbor Commercial Zone.</p> <p>(c) Property of the United States or property transported under agreement whereby the United States contracted for the carrier's service.</p> <p>(d) Property for which rates are provided in Minimum Rate Tariffs 17-A or 20 when said property is transported under the provisions of such tariffs.</p> <p>(e) Property transported for a displaced person when the cost thereof is borne by a public entity as provided in Section 7262 of the Government Code.</p> <p>For rates for the transportation of commodities in dump truck equipment, other than as provided in this tariff, see Minimum Rate Tariff 17-A, 20 or other tariffs as the case may be.</p>												
80	<p align="center">APPLICATION OF TARIFF--TERRITORIAL</p> <p>Rates in this tariff apply for transportation between all points within the State of California.</p>												
90	<p align="center">ACCESSORIAL CHARGES</p> <p>In addition to the charges under the rates in Sections 2 and 4, and when, through no fault of the carrier, the unloading and release of carrier's equipment at destination is delayed beyond the time allowances shown herein, the following accessorial charges shall be assessed:</p> <table><thead><tr><th></th><th align="center"><u>a</u></th><th align="center"><u>b</u></th><th align="center"><u>c</u></th></tr></thead><tbody><tr><td>Charge per unit of carrier's equipment for delay beyond the time allowance shown below. Charge applies for each six (6) minutes (one-tenth of an hour) or fraction thereof.....</td><td align="center">251</td><td align="center">251</td><td align="center">251</td></tr><tr><td>Time allowance in minutes, per unit of carrier's equipment (See Note).....</td><td align="center">30</td><td align="center">45</td><td align="center">30</td></tr></tbody></table> <p>a. Applies when transportation is performed by truck without trailing equipment.</p> <p>b. Applies when transportation is performed by truck with transfer type trailer.</p> <p>c. Applies when transportation is performed by truck with other than transfer type pull trailers, tractors with semitrailers or tractors with semitrailers and pull trailers operating in train.</p> <p>NOTE:--In computing the time allowance under this rule, time shall commence when the carrier arrives at point of destination.</p>		<u>a</u>	<u>b</u>	<u>c</u>	Charge per unit of carrier's equipment for delay beyond the time allowance shown below. Charge applies for each six (6) minutes (one-tenth of an hour) or fraction thereof.....	251	251	251	Time allowance in minutes, per unit of carrier's equipment (See Note).....	30	45	30
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	<div><div><div>o Change)</div><div>* Addition)</div><div>o Reduction)</div><div>** Eliminated)</div></div><div>Decision No. 88 01 014</div></div>												
	EFFECTIVE FEB 21 1988												
	ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA, SAN FRANCISCO, CALIFORNIA.												
Correction													

SECTION 2--LIST OF COMMODITIES EXEMPT FROM RATE REGULATION (continued)

Milk, liquid (Subject to Note 6).

Motor vehicles, disabled, when towed by a tow car.

Motor vehicles when towed by a tow car, exemption applies only when said transportation is performed within the East Bay Drayage Area as described in Section 5 and within the City and County of San Francisco.

Newspapers, newspaper supplements, sections or inserts (not scrap or waste); Subject to Note 1.

Nuts, in the shell.

Nuts, field shelled.

Optical goods transported from or to wholesale houses in packages weighing 10 pounds or less; Subject to Notes 1 and 3; for San Diego Drayage Area see below.

Optical goods, as follows, when said transportation is performed within the San Diego Drayage Area described in Section 5:

Cases, eyeglass or spectacle, NOI;
Cases, eyeglass or spectacle, not covered nor lined;
Eyeglasses or spectacles, NOI;
Lenses, optical, NOI; -

1. Ground or polished;

2. Not surface ground nor polished (Lens Blanks);

Petroleum Coke for export, when transported in bulk in dump truck equipment between the following points in the Los Angeles Harbor Commercial Zone:

1. Shell Oil Company refinery, Wilmington;
2. Pier "G", Berth 212, Long Beach;
3. Storage facility of International Minerals & Chemical Corp., Los Angeles Harbor;
4. Texaco Oil Company refinery, Wilmington;
5. Storage facility of Koch Carbon, Inc., ** Carson;
- *6. Atlantic Richfield Company refinery, Carson;
- *7. Arco COC Kiln, Inc.'s facility, Wilmington.

*Addition)
**Eliminated) Decision

88 01 014

EFFECTIVE FEB 21 1988

ISSUED BY THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA,
SAN FRANCISCO, CALIFORNIA.

Correction