

Decision No. 50331

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
ALFRED FLEKEL and JOHN NEWMAN, co-partners )  
doing business as OILFIELD VACUUM SERVICE )  
for a Certificate of Public Convenience )  
and Necessity to operate vacuum tank trucks )  
as a petroleum irregular route carrier in )  
the State of California. )

Application No. 35165

Appearances

Phil Jacobson, for applicants.  
Glanz & Russell, by Ernest Shelander for Routh  
Transportation, Chancellor & Ogden, Inc., System  
Tank Lines, Inc., and Arizona Pacific Tank Lines, Inc.,  
protestants.  
L. W. Potter, for L. W. Potter Trucking Company, protestant.  
James E. McCoy, for Valley Vacuum Truck Service,  
protestant.

O P I N I O N

Alfred Flekel and John Newman seek a certificate of public convenience and necessity authorizing them to transport petroleum products consisting of drilling fluids, oils for oil well drilling, crude oil and road oil in tank trucks and tank trailers as a petroleum irregular route carrier between points and places in the counties of Kern, Ventura, San Luis Obispo, Monterey, Kings, Fresno and Santa Barbara.

A public hearing was held before Examiner Carl Silverhart on June 23, 1954, in Bakersfield.

Applicants have been engaged in the transportation of liquid petroleum products since 1933. Since 1951 they have operated motor vehicles specially constructed and adapted for the performance of a vacuum service in oil fields and services incidental thereto.

Applicants' main terminal facilities are located in Kern County. Applicants equipment includes 4 vacuum trucks ranging in size from 32 to 56-barrel capacity, an 80-barrel utility trailer and 2 pump trucks of 3000-gallon capacity each.

Applicants' balance sheet as of March 31, 1954, shows assets of \$67,753.68 and net worth amounting to \$49,780.97. Their profit and loss statement covering the period April 1, 1953 to March 31, 1954 sets forth total income of \$78,526.93, with an operating profit of \$19,738.17.

Applicants propose an on-call service 7 days per week, 24 hours per day and at rates as follows:

32 to 36-barrel vacuum truck	\$7.50	per	hour
56 " " "	8.50	"	"
80 " " "	11.00	"	"
60 " pump "	8.00	"	"
90 " trailer "	3.00	"	"

Minimum charges between 6:00 o'clock a.m. to 6:00 o'clock p.m. - 1 hour  
 Minimum charges between 6:00 o'clock p.m. to 6:00 o'clock a.m. - 3 hours.

Applicants' transportation activities are primarily concerned with oil fields and oil well sites. Drilling mud, water, drilling fluids, and crude oil and road oil are transported to and from oil wells and sites. Tanks and sump holes are cleaned and the oil transported to storage tanks. Crude oil is transported from new wells to storage points. Applicants do not transport gasoline distillates or high grade refined products.

Representatives of oil producing companies which conduct operations within the counties of Kern, Ventura and Santa Barbara, testified that they have used and now are using applicants' service; that such service is satisfactory and is needed by them; that they will use the proposed service if authorized.

The granting of the application was opposed by Routh Transportation, Chancellor & Ogden, Inc., System Tank Lines, Inc., Arizona Pacific Tank Lines, Inc., L. W. Potter Trucking Company and

Valley Vacuum Truck Service, Inc. None of these protestants presented public witnesses, and Chancellor & Ogden, Inc., System Tank Lines, Inc., and Arizona Pacific Tank Lines, Inc., did not testify. L. W. Potter Trucking Company, Routh Transportation and Valley Vacuum Truck Service testified, among other things, as to their service areas, terminals and equipment. It appears from their testimony that the protestants are more concerned with applicants' proposed lower rates rather than opposing the granting of the certificate.

The evidence does not indicate a need for the proposed service as to points within San Luis Obispo County, Monterey County, Kings County and Fresno County.

The record demonstrates, and we so find, that applicants have the financial ability and experience to conduct the proposed operation and that public convenience and necessity require that Alfred Flekel and John Newman establish and operate a service as a petroleum irregular route carrier between all points and places in the counties of Kern, Ventura and Santa Barbara for the transportation of petroleum products consisting of drilling fluids, oils for oil well drilling, crude oil and road oil, in pump or vacuum-type tank trucks and trailers, subject to the restriction that point of origin or the point of destination be an oil field or well site.

It should be noted that in this proceeding we confine ourselves to the matter of public convenience and necessity. The record herein is not sufficient to enable us to pass upon the reasonableness of applicants' proposed rates.

#### ORDER

A public hearing having been held and based upon the evidence therein adduced,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity is granted to Alfred Flekel and John Newman authorizing the establishment

and operation of a service as a petroleum irregular route carrier, as defined in Section 214 of the Public Utilities Code, for the transportation of petroleum products consisting of drilling fluids, oils for oil well drilling, crude oil and road oil, in pump or vacuum-type tank trucks and trailers, between all points and places in the counties of Kern, Ventura and Santa Barbara; provided that applicants shall transport only those shipments which have origin or destination in an oil field or well site, a well site being any location upon which an oil well is about to be constructed, is being constructed, or is completed but is not yet producing.

(2) That in providing service pursuant to the certificate herein granted, applicants shall comply with and observe the following service regulations:

- (a) Within thirty days after the effective date hereof, applicants shall file a written acceptance of the certificate herein granted.
- (b) Within sixty days after the effective date hereof, and upon not less than five days' notice to the Commission and the public, applicants shall establish the service herein authorized and file in triplicate, and concurrently make effective, appropriate tariffs satisfactory to the Commission.

(3) That in all other respects Application No. 35165 is denied.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 10<sup>th</sup> day of August, 1954.

John E. Mitchell  
President

Justus F. Calver

Samuel Patten

Gene Higgins

Commissioners