

ORIGINALDecision No. 50497

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 KERWOOD TRUCKING SERVICE for a)
 Certificate of Public Convenience and)
 Necessity as a Petroleum Irregular)
 Route Carrier to operate a vacuum)
 tank truck service within the Counties) Application No. 35486
 of San Luis Obispo, Monterey, San) (as amended)
 Benito and Santa Cruz, California, with)
 emergency service to all areas in the)
 State of California being developed)
 or explored for oil.)

John W. Hutton, for applicant.
Paul E. Tibbetts, for Routh Transportation,
 protestant.

O P I N I O N

By this application filed June 3, 1954, A. L. Kerwood, doing business as Kerwood Trucking Service seeks a certificate of public convenience and necessity authorizing him to transport petroleum and petroleum products as a Petroleum Irregular Route Carrier as defined in Section 214 of the Public Utilities Code. The primary territory to be served as proposed includes the Counties of San Luis Obispo, Monterey, San Benito and Santa Cruz with emergency service to other counties.

A public hearing was held before Examiner John Rowe on July 28, 1954 in King City, California.

Applicant has been engaged in the operation of vacuum tank trucks since April, 1952. Prior to that time he operated trucks over the highway under a radial permit. He will continue to operate under such permit, if certificated. For the proposed service he will continue to use the three vacuum tank trucks he now owns. At the hearing the application was amended to exclude the use of pump trucks so that the use of vacuum-type trucks only is proposed.

Applicant has a net worth invested in this business of \$37,803.61 consisting of cash \$10,207.97, accounts receivable \$6,108.85, trucks and equipment \$20,976.67 as depreciated and a 1953 Ford automobile valued at \$2,681.02. His total liabilities shown amount to \$2,164.00. Applicant is found to have sufficient financial ability to perform this service as proposed.

Applicant's base of operations has been at San Ardo, California. The service as proposed consists of oiling and watering roads, cleaning sumps and tanks, and of hauling water, waste materials, prepared drilling mud, drilling fluids, and oils used primarily for drilling and oil production purposes. The proposed rate to be assessed for this service is \$8.00 per hour for a 35-barrel vacuum tank unit plus federal taxes, for all time elapsed between departure from base of operations and return thereto. Applicant testified that at present no other service such as he proposes is carried on by any *CPM* certificated carrier based in the four counties he proposes to serve.

Applicant testified that vacuum tank trucks were not appropriate for general transportation purposes. Applicant testified that he received many calls for his proposed service from different companies including The Texas Company, General Petroleum Co., Associated Oil Co., and Humble Oil Co. Many other persons and firms were said to have been served. During the last two years he stated that his operation in this line of work had proved profitable with the rates charged as proposed.

Routh Transportation which protested the application is not based in the four counties involved although it does perform service therein. It sought to have applicant restricted to shipments which have both origin and destination within two miles of an oil well, well site or pipeline break. However, the witness for this company failed to state that such a restriction would in any manner benefit his company.

The Commission finds that public convenience and necessity require that applicant be authorized to perform the service as proposed. The application will therefore be granted.

O R D E R

Application as above-entitled having been filed, public hearing having been held thereon, the Commission being fully advised in the premises and hereby finding that public convenience and necessity so require,

IT IS ORDERED:

(1) That a certificate of public convenience and necessity be, and it hereby is, granted to A. L. Kerwood, doing business as Kerwood Trucking Service, authorizing the establishment and operation of service as a petroleum irregular route carrier, as defined in Section 214 of the Public Utilities Code, for the transportation of petroleum and petroleum products in vacuum-type tank trucks between all points and places in the Counties of San Luis Obispo, Monterey, San Benito and Santa Cruz and also between said counties and other points in California when said service either originates in or is destined to said counties and is performed for customers of applicant located in said counties.

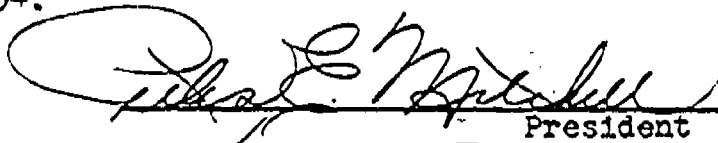
(2) That in providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations:

- (a) Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty days after the effective date hereof.

(b) Within sixty days after the effective date hereof, and on not less than five days' notice to the Commission and the public, applicant shall establish the service herein authorized, and file in triplicate and concurrently make effective appropriate tariffs.

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

Dated at San Francisco, California, this 31st day of August, 1954.



President





Commissioners

Commissioner Justus F. Croemer, being necessarily absent, did not participate in the disposition of this proceeding.