Decision 82 02 108 FEB 17 1982

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Richard Stanley Core and M. Edward Guess, Jr., a partnership dba BEARD BROTHERS, LTD., for a Certificate of Public Convenience and Necessity to operate as a highway common carrier for the transportation of property pursuant to Section 1063-1064 of the California Public Utilities Code.

Application 61023 (Filed November 2, 1981)

<u>OPINION</u>

Richard Stanley Core and M. Edward Guess, Jr., dba Beard Brothers, Ltd., are a partnership; they operate from a terminal in Bakersfield, California. The partnership conducts operations in California intrastate commerce as a highway contract carrier under File T-129,217.

The application seeks a certificate of public convenience and necessity as a common carrier (Public Utilities (PU) Code §§ 1063 and 1064). The certificate proposed would authorize operations in intrastate commerce only. It is proposed to establish through routes and rates between any and all points in its operating territory. The partnership plans to conduct operations within and between all points within the Counties of Kern, Los Angeles, Orange, and Ventura. In addition, it will operate between all points in those counties and all points and places within Solano, Sonoma, and Yolo Counties. The proposed transportation will be offered on-call, with either daily or overnight delivery, depending on the time of tender. The partnership does not intend to establish through or joint rates with other carriers.

The partnership presently operates under rates in Transition Tariff 2. If the authority is granted, the partnership will participate in a tariff published by a tariff bureau.

The partnership's equipment list includes 5 flatbed trucks with launchers for the transportation of specialized commodities and 2 tractors together with several flatbed trailers. Its balance sheet shows total assets of slightly over \$400,000; approximately half of the sum is represented by trucks and trailers. Its capital includes approximately \$30,000 of retained earnings. Its principal long-term liabilities are vehicle leases. Its net worth is \$49,732 as of August 31, 1981.

While the partnership is authorized to operate as a general commodity carrier, much of its business consists of specialized hauling for oil well drillers. The application alleges that the partnership already has in excess of 100 regular accounts for which it conducts transportation. The application claims that there have been numerous requests for service from other potential shippers. The application also claims that steady increases in oil exploration activity in California, particularly in Kern County, will further increase the number of potential shippers.

The partners are concerned that the present operation could possibly exceed, both in terms of numbers of shippers and in regularity, the limits of contract carriage. They wish to remain in full compliance with the Commission's regulations without restricting their ability to serve either existing or potential customers. Finally, the application claims that the business' rapid growth during the short time it has existed supports a finding that there is a public need for additional service of the type offered.

This application was served upon the California Trucking Association and the Highway Carriers' Association. Notice of the filing of the application appeared in the Commission's Daily Calendar on October 3, 1981. No protests have been received.

It appears from the application that partnership may on occasion be called upon to transport items which are large enough or heavy enough to require special authority from local or state officials regulating the use of highways or streets. Applicants are placed on notice that this certificate is restricted, and does not authorize such transportation. If the partnership wishes to perform such transportation, it must obtain the permit required by Article 3.8 of the PU Code, which provides for regulation of heavy-specialized carriers. Findings of Fact

- 1. Applicants are fit and proper persons to hold a certificate of public convenience and necessity from this Commission.
- 2. Applicants have the necessary facilities, experience, equipment, and financial ability to conduct the proposed transportation service.
- 3. Public convenience and necessity require that applicants be authorized to engage in intrastate commerce as proposed in the application.
- 4. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.
- 5. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
- 6. A public hearing is not necessary.

 Conclusion of Law

Applicants have demonstrated public convenience and necessity and the application should be granted.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

ORDER

IT IS ORDERED that:

- l. A certificate of public convenience and necessity is granted to Richard Stanley Core and M. Edward Guess, Jr., a partnership, authorizing them to operate as a highway common carrier, as defined in PU Code § 213, between the points listed in Appendix A.
 - 2. Applicants shall:
 - a. File a written acceptance of this certificate within 30 days after this order is effective.
 - b. Establish the authorized service and file tariffs within 120 days after this order is effective.
 - c. State in their tariffs when service will start; allow at least 10 days' notice to the Commission; and make tariffs effective 10 or more days after this order is effective.
 - d. Comply with General Orders Series 80, 100, 104, and 147, and the California Highway Patrol safety rules.
 - e. Maintain accounting records in conformity with the Uniform System of Accounts.

f. Comply with General Order Series 24 (collect-on-delivery shipments). If applicants elect not to transport collect-on-delivery shipments, they shall file the tariffs required by that General Order.

This order becomes effective 30 days from today.

Dated FEB 17 1982, in San Francisco, California.

RICHARD D CRAVELLE LEONARD M. GRIMES, JR. VICTOR CALVO PRISCILLA C. CREW Commissioners

Present but not participating.

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

Joseph E. Bodovitz, Executive Director

Richard Stanley Core and M. Edward Guess Jr., co-partners doing business as Beard Brothers, Ltd. by the certificate of public convenience and necessity granted in the decision noted in the margin, are authorized to conduct operations as a highway common carrier as defined in Public Utilities Code Section 213 for the transportation of general commodities as follows:

- (1) Between all points and places in the Counties of Kern, Los Angeles, Orange, and Ventura.
- (2) Between all points and places in the Counties of Kern, Los Angeles, Orange and Ventura, on the one hand, and all points and places in the Counties of Solano, Sonoma, and Yolo, on the other hand.

Except that under the authority granted. carrier shall not transport any shipments of:

- 1. Used household goods and personal effects, office, store, and institution furniture and fixtures.
- 2. Automobiles, trucks, and buses, new and used.

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- 3. Ordinary livestock.
- 4. Liquids, compressed gases, commodities in semiplastic form, and commodities in suspension in liquids in bulk in any tank truck or tank trailer.
- 5. Mining, building, paving, and construction materials, except cement or liquids, in bulk in dump truck equipment.
- 6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
- 7. Portland or similar cements, either alone or in combination with lime or powdered limestone, in bulk or in packages, when loaded substantially to capacity.
- 8. Articles of extraordinary value.
- 9. Trailer coaches and campers, including integral parts and contents when contents are within the trailer coach or camper.
- 10. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.
- 11. Explosives subject to U.S. Department of Transportation regulations governing the transportation of hazardous materials.

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- 12. Fresh fruits, nuts, vegetables, logs, and unprocessed agricultural commodities.
- 13. Any commodity, the transportation or handling of which, because of width, length, height, weight, shape, or size, requires special authority from a governmental agency regulating the use of highways, roads, or streets.
- 14. Transportation of liquid or semisolid waste, or any other bulk liquid commodity in any vacuum-type tank truck or trailer.

In performing the service authorized, carrier may make use of any and all streets, roads, highways, and bridges necessary or convenient for the performance of this service.

(END OF APPENDIX A)