

ORIGINAL

Decision 82 02 117 FEB 17 1982

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of R & J TRUCK, INC. for a)
certificate of public convenience)
and necessity to operate as a)
highway common carrier.)

Application 60994
(Filed October 19, 1981)

O P I N I O N

R & J Truck, Inc. (R&J) is a highway contract carrier operating under permit in File T-125,025. It operates from a terminal located in Pomona. In order to meet the needs of its existing and potential shippers, it has applied for a certificate to operate as a highway common carrier in an area bordered by the Pacific Ocean to the west, by the northern borders of Sonoma, Napa, Solano, and Sacramento Counties (as far east as Rancho Cordova), by a line from Rancho Cordova to Barstow, and from Barstow to a point where the Coachella Canal joins the Colorado River at the California-Mexican border; the southern border of the area is the California-Mexican border. It proposes to transport general commodities with the exception of commodities in bulk and household goods. It is alleged that both of applicant's principals, James DeBonis and Robert Prias, have long experience in the transportation industry and are capable of managing and operating a substantial highway common carrier operation.

R&J proposes to institute service using the Commission's transition tariff rates. As regulation changes, R&J proposes to adopt or publish tariffs setting forth its rates.

R&J has sufficient equipment to perform transportation within the proposed service area. It has 17 tractors, 25 trailers, and two bobtails. It will acquire additional equipment and open additional terminals as needed to meet the public demand.

The application includes a balance sheet showing total assets of slightly over \$258,000. Of this, \$129,000 (offset by depreciation of \$42,000) is represented by trucks and trailers. Cash on hand amounts to slightly less than \$15,000. R&J has less than \$9,000 of long-term debt; its equity, including retained earnings of \$27,000 and current net income of \$32,000, is \$103,739. Furthermore, one of its principal current liabilities is a \$56,000 note to a majority stockholder.

The carrier's income statement shows a gross revenue of slightly over \$350,000 in the first six months of 1981, with a gross profit of slightly over \$76,000.

R&J claims that existing and potential customers are demanding regular service within the proposed service area and that it would be unable to meet these demands without exceeding the recognized limits of contract carrier operations. It proposes, therefore, that we find that public convenience and necessity require the institution of the proposed service in intrastate commerce.

A copy of the application was served on California Trucking Association and the Highway Carriers Association. It was also served on unspecified other parties, believed to be interested in R&J's request for a certificate of public convenience and necessity. Notice of the application appeared on the Commission's Daily Calendar of October 20, 1981. No protests have been received.

Findings of Fact

1. R&J is a fit and proper entity to hold a certificate of public convenience and necessity. It has the financial capability and equipment to conduct the proposed transportation services.
2. Public convenience and necessity require the service proposed by R&J.
3. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

4. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

5. A public hearing is not necessary.

Conclusion of Law

Public convenience and necessity have been demonstrated and a certificate to operate as a highway common carrier should be issued to R&J.

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.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to R & J Truck, Inc., a corporation, authorizing it to operate as a highway common carrier, as defined in Public Utilities Code § 213, between the points listed in Appendix A.

2. Applicant 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 its 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 84 (collect-on-delivery shipments). If applicant elects not to transport collect-on-delivery shipments, it shall file the tariffs required by that General Order.

This order becomes effective 30 days from today.

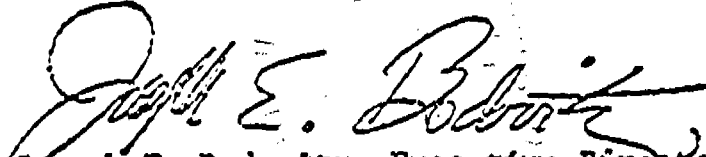
Dated FEB 17 1982, at San Francisco, California.

RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

Commissioner JOHN E. BRYSON

Present but not participating.

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


Joseph E. Bodovitz, Executive Director

APPENDIX A

R & J TRUCK, INC.
(a California corporation)

Original Page 1

R & J Truck, Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to conduct operations as a highway common carrier as defined in Public Utilities Code Section 213 for the transportation of general commodities within an area enclosed by the following boundary:

From the intersection of the northern border of Sonoma County with the shoreline of the Pacific Ocean; east along this borderline and the northern borders of Napa, Solano, and Sacramento Counties to the intersection of Watt Avenue and the Sacramento County Line near Gibson Ranch County Park; southeast along an imaginary line through Rancho Cordova to the City of Barstow in San Bernardino County; continuing southeast to a point where the imaginary line intersects with the California-Mexico Border near where the Coachella Canal joins the All American Canal in Imperial County; west along the California-Mexico Border to the shoreline of the Pacific Ocean; north, west, and north along this shoreline to the point of beginning.

Issued by California Public Utilities Commission.

Decision 82 02 117, Application 60994.

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.
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.

Issued by California Public Utilities Commission.

Decision 82 02 117, Application 60994.

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.
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)

Issued by California Public Utilities Commission.

Decision 82 02 117, Application 60994.