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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of GALLOP COURTERS, INC.,) a California corporation, to operate as a highway common carrier.

Application 82-07-39 (Filed July 19, 1982)

<u>opinion</u>

Gallop Couriers, Inc. (applicant) seeks a certificate of public convenience and necessity to operate as a highway common carrier transporting general commodities (with the usual exceptions) between points in California. Applicant proposes to conduct courier activities similar to those presently being performed in the midwest by an affiliate, Dependon, Inc., an Illinois corporation. That corporation holds authority from the Illinois Commerce Commission and from the Interstate Commerce Commission. Specifically, applicant proposes to transport courier commodities which are exempt from rate regulations, as well as other types of minimum weight shipments for which delivery times are critical. Applicant proposes to offer its service 24 hours a day, seven days a week. Delivery will be guaranteed within 24 hours.

The experience of Dependon, Inc. in Illinois has allegedly demonstrated a dramatic need for this type of service. Applicant's principals have surveyed the California market and have determined that the potential for a similar service exists here also. Applicant submits that the available traffic is sufficient to support its service without jeopardizing, or diverting, traffic from existing carriers. Applicant has presented a pro forms balance sheet which shows \$20,000 cash, \$5,000 of materials and supplies, and a truck valued at \$10,000 for a total of \$35,000 of assets. It has no liabilities.

When applicant carries commodities which are not rate exempt, it will assess rates consistent with the applicable transition tariffs. Applicant intends to lease vehicles having a weight of not more than 4,500 pounds for use in the proposed service. It will employ owner-lessors to operate this equipment as suggested by the Commission's holding in ABC Messenger Service (1971) 71 CPUC 694.

Notwithstanding the decision in that matter, applicant is reminded that the provisions of General Orders 102-C and 130, with respect to the utilization of owner-operators, are in effect and applicant must comply if its operations become subject thereto. Accordingly applicant is placed on notice that its records are subject to examination by the Commission staff in order to ensure such compliance.

Notice of this filing appeared in the Commission's Daily Calendar of July 23, 1982. No protests have been received. This matter can, therefore, be considered without public hearing. Findings of Fact

- 1. Applicant possesses satisfactory fitness and financial responsibility to conduct the proposed transportation services.
- 2. Public convenience and necessity require the service proposed by applicant.
- 3. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
- 4. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

 Conclusion of Law

Applicant has demonstrated public convenience and necessity, and the application should be granted. The names of highways and roads in the certificate are those currently in use.

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:

- 1. A certificate of public convenience and necessity is granted to Gallop Couriers, Inc., a corporation, authorizing it to transport packages of 150 pounds or less as a highway common carrier, as defined in Public Utilities Code 5 213, between all points in the State of California.
 - 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 Order Series 80, 100, 123, 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 tariff provisions required by that General Order.

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

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LEONARD M. GRIMES. JR.
President
PRISCILLA C. GREW
DONALD VIAL

Commissioners

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Commissioner Victor Calvo, being necessarily absent, did not participate