

ALJ/vdl

ALT-ALJ-JCG

Decision 84 01 060 Jan 19, 1984**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 WYNN WHITMEYER, ROY M. HARALSON, and )  
 RAY A. HARALSON, a partnership, dba )  
 OILFIELD REQUIREMENTS COMPANY, 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 83-04-42  
 (Filed April 18, 1983;  
 amended September 19, 1983)

O P I N I O N

Wynn Whitmeyer, Roy M. Haralson, and Ray A. Haralson (applicants), a partnership doing business as Oilfield Requirements Company, seek authority as a highway common carrier to transport general commodities to and from all points in the State of California with the exception of shipments where the origin and destination are both located within the Cities of Alameda, Albany, Berkeley, Emeryville, Oakland, Piedmont, the City and County of San Francisco, and San Diego County. They now hold highway contract carrier authority (T-138,779). Applicants propose to establish through rates and routes between any and all points covered by this application. They do not propose to establish joint rates with any connecting carriers. The transportation proposed will be on call, subject to shipper demand. The time in transit will be daily or overnight depending on the time of tender. If the authority is granted, applicants propose to establish an individual tariff providing local rates between all the points they are authorized to serve.

Applicants claim to have the financial ability to serve. Their December 31, 1982 balance sheet is set forth below.

STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 1982

ASSETS

Cash	\$ 1,138	
Accounts Receivable	19,119	
Prepaid Interest	<u>2,299</u>	
Total Current Assets		\$22,556
Furniture & Fixtures	\$ 2,500	
Trucks	25,567	
Less: Accumulated Depreciation	<u>(6,767)</u>	
Net Property & Equipment		21,300
Prepaid Interest (Over One Year)		<u>4,598</u>
Total Assets		\$48,454

LIABILITIES & PARTNERS' CAPITAL

Note Payable - George McCrory	\$ 5,000	
Current Portion of Long-term Debt	10,843	
Accounts Payable	243	
Payroll Taxes Payable	<u>244</u>	
Total Current Liabilities		\$16,330
Contracts Payable	\$32,523	
Less: Current Portion Shown Above	<u>(10,843)</u>	
	21,680	
Notes Payable - Partners	<u>4,675</u>	
Total Long-term Debt		<u>26,355</u>
Total Liabilities		\$42,685
Partners' Capital		<u>5,769</u>
<u>Total Liabilities &amp; Partners' Capital</u>		\$48,454

On October 3, applicants supplied us with a copy of their financial reports as of June 30. As of that date they had over \$13,000 of cash on hand. Their credit liabilities were under \$2,000. However, their total capital was a negative \$15,326.00. Year-to-date operations including transportation, crating and shipping, expediting, and dispatching, swamping and helping, and equipment rental totaled approximately \$100,000 producing an out-of-pocket loss of \$3,000.

Applicants' fleet consists of a Ford and a Toyota pickup, a Toyota station wagon, and a flatbed truck.<sup>1</sup>

To meet the requirement for shipper support, applicants filed a list of some 14 potential shippers including oil companies, drilling companies and what appear to be vessel carriers which supply offshore drilling rigs. Copies of the original application were served on these companies; however, copies of an amendment filed September 19, 1983 were not.

The amendment indicates that the 14 companies would tender a list of commodities which includes core samples, chemicals, machinery, building materials, electrical equipment, internal combustion engines, wire rope, and oil field drilling equipment. Applicants contend that the wide variety of commodities used in oil field drilling warrants a grant of unrestricted general commodities authority.

Applicants also contend that shipments from the supporting shippers can originate or be destined to virtually any point in California. These shippers need transportation to well sites, supply companies, and docks maintained for the transportation of commodities to offshore well sites. At present, well sites and supply companies are located in the Northern California counties of Sonoma, Lake,

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<sup>1</sup> As of September 19, a truck and trailer are on order.

Yolo, and Colusa; and Southern California counties of Monterey, Santa Barbara, Ventura, Kern, Kings, Fresno, and Los Angeles. While many of these shipments would be destined to or originate at permanent facilities located in cities, it is also common for shipments to be destined to or originate at drilling sites in remote locations. Applicant claims that some more remote locations are in areas not previously used for drilling and that it is impossible to anticipate the areas of future exploration.

Applicants currently serve part of this market as a contract carrier. Applicants contend that contract carrier authority is inappropriate for their operations. They assert that it is often necessary to deal with new customers on such short notice that it is difficult to negotiate and file contracts. They also wish to serve a large number of small shippers and would find it burdensome to deal with the mass of paper work. They also contend that shippers are frequently reluctant to sign transportation contracts.

Notice of the filing of this application appeared in the Commission's Daily Transportation Calendar of April 20, 1983. No protests have been received.

#### Findings of Fact

1. Applicants are fit persons to hold a certificate of public convenience and necessity as a highway common carrier.
2. Public convenience and necessity require the service proposed by applicants.
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.
5. A public hearing is not necessary.

Conclusion of Law

The application should be granted in accordance with Commission policy expressed in Resolution 18191 adopted November 30, 1983.

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 Wynn Whitmeyer, Roy M. Haralson, and Ray A. Haralson, a partnership, authorizing them to operate as a highway common carrier, as defined in PU Code § 213, between the points set forth 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, 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 applicants elect not to transport collect-on-delivery shipments, they shall file the tariff provisions required by that General Order.
- g. Comply with General Order Series 102 and 130. If applicants elect to engage subhaulers, applicants shall have the required bond on file, and applicants shall engage only highway carriers who hold appropriate operating authority granted by this Commission.

This order becomes effective 30 days from today.

Dated JAN 19 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President

VICTOR CALVO  
PRISCILLA C. GREW  
Commissioners

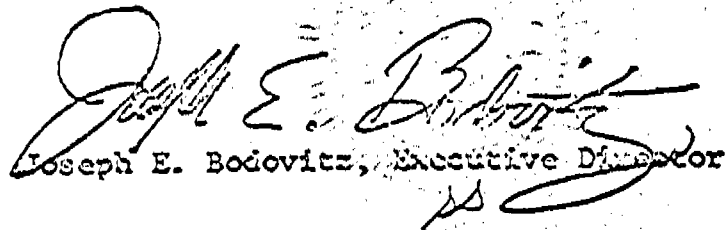
Commissioner DONALD VIAL

Present but not participating.

Commissioner WILLIAM T. BAGLEY

Present but not participating.

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

  
Joseph E. Bodovitz, Executive Director

Wynn Whitmeyer, Roy M. Haralson, and Ray A. Haralson, 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:

Between all points and places in the State of California,

except:

- a) Shipments whose origin and destination are both located within the territory comprised of the cities of Alameda, Albany, Berkeley, Emeryville, Oakland, and Piedmont.
- b) Shipments whose origin and destination are both located within San Diego County.
- c) Shipments whose origin and destination are both located within the City and County of San Francisco.

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.

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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. Explosives subject to U. S. Department of Transportation regulations governing the transportation of hazardous materials.
11. Fresh fruits, nuts, vegetables, logs, and unprocessed agricultural commodities.
12. 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.
13. Transportation of liquid or semisolid waste, or any other bulk liquid commodity in any vacuum-type tank truck or trailer.
14. Commodities and geographic areas exempt from rate regulation as described in the Commission publication "Commodities and Geographic Areas Exempt from Rate Regulation" or successive reissues thereof.

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

(END OF APPENDIX A)

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