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Decision No.

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CARDEAN, INC. for a certificate of public convenience and necessity to operate as a highway common carrier.

Application No. 59987 (Filed October 2, 1980)

<u>OPINION</u>

This is an application in which Cardean, Inc. (Cardean) seeks a certificate of public convenience and necessity to operate as a highway common carrier between various points in California. It also requests a concurrent finding that public convenience and necessity require the same service in interstate and foreign commerce.

The Commission makes the following findings and conclusions.

Findings of Fact

- 1. A copy of the application was served on the California Trucking Association and the California Department of Transportation. Notice that it was filed appeared in the Commission's Daily Calendar.
- 2. Notice that the application was filed and that Cardean will seek a certificate of registration from the Interstate Commerce Commission was published in the Federal Register on November 12, 1980.
- 3. Interested persons have been afforded a reasonable opportunity to be heard on this application. There have been no protests.
 - 4. A public hearing is not necessary in this matter.

- 5. Fifty percent of Cardean's capital stock is owned by Jim Carrol Cassil (Cassil). The remaining fifty percent is owned by David Batcheller, who has no connection with any transportation enterprise.
- 6. Cassil is president, secretary, chief financial officer, and a director of Cardean. He holds a permit as a highway contract carrier under File No. T-123,729.
- 7. Cassil desires to continue to expand his motor carrier business by using a corporate structure.
- 8. Cassil presently transports 40-50 shipments of general freight daily for approximately 30 shippers. Cassil's business is expanding and he seeks the operating authority requested herein so that he can continue to expand the business and meet the needs of his customers.
- 9. Cardean has 18 units of operating equipment including 6 tractors, 10 trailers, and 2 bobtails.
- 10. Cardean had a net worth of \$148,894 as of August 20, 1980. Cassil, as an individual, had gross operating revenues of \$148,285 for the first six months of 1980.
- 11. Cardean has the ability, including financial ability, to conduct the proposed operations.
- 12. Cardean has received numerous requests from shippers to render service as a highway common carrier to handle intrastate and interstate shipments in the area and between the points covered by this application.
- 13. Public convenience and necessity require that Cardean be authorized to engage in operations in intrastate commerce as proposed in the application and also require that it be authorized to engage in operations in interstate and foreign commerce within limits which do not exceed the scope of the intrastate operations authorized by the order herein.

- 14. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
- 15. The following order complies with the guidelines set forth in the Commission's energy efficiency plan.

Conclusions of Law

- 1. The application should be granted as set forth in the ensuing order.
- 2. The territorial description of the authority granted reflects the names of redesignated highways and roads and does not in any way exceed the geographical scope of the proposed operation as published in the Federal Register.

Cardean is placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

ORDER

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Cardean, Inc., a corporation, authorizing it to operate as a highway common carrier, as defined in Section 213 of the Public Utilities Code, between the points and over the routes particularly set forth in Appendix A attached hereto and made a part hereof.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure to do so may result in cancellation of the authority.

· · . . .

- (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted. Applicant is placed on notice that if it accepts the certificate it will be required, among other things, to comply with the safety rules administered by the California Highway Patrol and the insurance requirements of the Commission's General Order No. 100-Series.
- (b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service and amend or file tariffs, in triplicate, in the Commission's office.
- (c) The tariff filings shall be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the establishment of the authorized service.
- (d) The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 80-Series.

- (e) Applicant shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission, and shall file with the Commission, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.
- (f) Applicant shall comply with the requirements of the Commission's General Order No. 84-Series for the transportation of collect on delivery shipments. If applicant elects not to transport collect on delivery shipments, it shall make the appropriate tariff filings as required by the General Order.

The effective date of this order shall be thirty days after the date hereof. 4 1981 Dated

, at San Francisco, California.

Commissioners

Appendix A

CARDEAN, INC.
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1.

Cardean, 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 Section 213 of the Public Utilities Code for the transportation of general commodities as follows:

Within and between the counties of: Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Inyo, Kern, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Siskiyou, Sierra, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo and Yuba.

Except that pursuant to the authority herein granted, carrier shall not transport any shipments of:

- 1. Used household goods, personal effects and office, store and institution furniture, fixtures and equipment not packed in salesmen's hand sample cases, suitcases, overnight or boston bags, briefcases, hat boxes, valises, traveling bags, trunks, lift vans, barrels, boxes, cartons, crates, cases, baskets, pails, kits, tubs, drums, bags (jute, cotton, burlap or gunny) or bundles (completely wrapped in jute, cotton, burlap, gunny, fibreboard, or straw matting).
- 2. Automobiles, trucks and buses, viz.: new and used, finished or unfinished passenger automobiles (including jeeps), ambulances, hearses and taxis, freight automobiles, automobile chassis, trucks, truck chassis, truck trailers, trucks and trailers combined, buses and bus chassis.

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- Livestock, viz.: barrows, boars, bulls, butcher hogs, calves, cattle, cows, dairy cattle, ewes, feeder pigs, gilts, goats, heifers, hogs, kids, lambs, oxen, pigs, rams (bucks), sheep, sheep camp outfits, sows, steers, stags, swine or wethers.
- 4. Liquids, compressed gases, commodities in semiplastic form and commodities in suspension in
 liquids in bulk, in tank trucks, tank trailers,
 tank semitrailers or a combination of such highway vehicles.
- 5. Commodities when transported in bulk in dump-type trucks or trailers or in hopper-type trucks or trailers.
- 6. Commodities when transported in motor vehicles equipped for mechanical mixing in transit.
- 7. Portland or similar cements, in bulk or packages, when loaded substantially to capacity of motor vehicle.
- 8. Logs.
- 9. Articles of extraordinary value.
- 10. Trailer coaches and campers, including integral parts and contents when the contents are within the trailer coach or camper.
- 11. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.
- 12. Explosives subject to U.S. Department of Transportation Regulations governing the Transportation of Razardous Materials.

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13. Transportation of 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, in any motor vehicle or combination of vehicles.

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

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

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