Decision 93227

June 16, 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Lonnie Ray Blaylock and Delvin D. McDonald, a partnership dba B & M TRUCKING & HYDRO-CRANE SERVICE, for a Certificate of Public Convenience and Necessity to operate as a highway common carrier for the transportation of property pursuant to Sections 1063-1064 of the California Public Utilities Code.

Application 60264 (Filed February 13, 1981)

OPINÍON

Lonnie Ray Blaylock and Delvin D. McDonald (applicants), a partnership doing business as B & M Trucking & Hydro-Crane Service, by this application seek a certificate of public convenience and necessity authorizing them to transport general commodities as a highway common carrier in intrastate commerce, between points in the State of California excluding the following: Shipments whose origin and destination are both located within the territory comprised of the Cities of Alameda, Albany, Berkeley, Emcryville, Oakland, and Piedmont; shipments whose origin and destination are both located within the territory comprised of Metropolitan Zones 301 through 312 as described in Distance Table 8 issued by the Public Utilities Commission; and shipments whose origin and destination are both located within the City and County of San Francisco.

Applicants presently conduct operations in California intrastate commerce as a highway contract carrier pursuant to authority issued to them under File T-129457. This authority permits the transportation of general commodities, except those for which other permitted authority is required from the Commission, between all points and places within the State of California.

The proposed transportation will be provided on call subject to shipper demand and applicants do not propose to establish through routes or joint rates with any connecting carriers. Upon grant of the requested authority sought herein, applicants propose to participate in various tariff bureaus publishing local rates between the points to be served in California.

Applicants allege that the present and future public convenience and necessity require operations by applicants as a common carrier and that the following conditions exist which justify the granting of the requested certificate:

- 1. Applicants are experienced in the transportation of freight, having served the public as a highway contract carrier statewide.
- 2. Applicants are presently serving in excess of 20 accounts under their highway contract carrier authority.
- 3. Applicants have received numerous requests from other shippers who would like to use their services in the transportation of general commodities, especially those used in well drilling operations.
- 4. Applicants were unable to obtain a certificate of public convenience and necessity under the grandfather rights established by Senate Bill 260 because they commenced operations as this partnership entity after 1977.
- 5. Since applicants commenced operations, there has been a steady increase in oil exploration activity in California, particularly in Kern County, which is applicants' county of domicile. This increase has caused new firms to enter the oil exploration business and as a result has increased the number of potential shippers who could be expected to require applicants' services. Although much of the transportation performed by applicants in conjunction with well drilling operations does not require special handling, some of the transportation consists of the movement of articles which are so bulky and heavy as to require loading and unloading by special means such as cranes.

- 6. Due to the cyclic volume of activity connected with well drilling, it is often necessary for carriers performing this type of service to be able to accept business from new customers on short notice.
- 7. Applicants' success in the short period of time they have been in business, as measured by the demands for their service, causes applicants to believe that there is a lack of the type of service they offer in the area sought to be served.
- 8. Applicants believe it is possible that the request for their service could possibly exceed, both in number and in regularity of movement, the type of transportation that is considered to be permitted carriage. They wish to keep their operations in full compliance with the Commission's regulations and yet provide a total overall transportation service to their existing customers.

Applicants further allege that inasmuch as they are presently operating in the proposed area transporting the requested commodities under their permitted authority, approval of this application will have no adverse effect on the environment.

This application was duly noticed on the Commission's Daily Calendar on February 23, 1981. Copies of the application were served upon the California Trucking Association and the Highway Carriers Association.

No protest to the application was received.

Applicants' financial statement shows assets of \$122,783.89 and liabilities of \$80,207.99.

Applicants expect to serve an increasing number of firms engaged in oil exploration activity. In their application applicants state that some of the transportation they now perform consists of the movement of oil drilling articles which are so bulky and heavy as to require loading and unloading by special means such as cranes, although not all of the movement of well drilling operations they perform requires such special handling. In Decision 89575 dated

October 31, 1978, we discussed specialized carriers in connection with the implementation of Senate Bill 860 wherein we stated that "heavy hauling" was specialized transportation within that category. Although we gave no specific examples of "heavy hauling" and we have never specifically defined the transportation of property used in well drilling operations as "specialized carriage" covered by contract carrier authority, we believe applicants' transport of oil drilling equipment which, because of weight, bulk, width, etc., requires special authority from any governmental agency regulating the use of highways, streets, and roads, constitutes specialized truck transportation and thus requires a permit issued by this Commission. Such carriage cannot be performed under a highway common carrier certificate. As transportation conditions may vary substantially between loads, it is difficult for carriers to establish and maintain uniform tariff rates. It falls within the Heavy-Specialized Carriers Act as spelled out in Public Utilities (PU) Code Sections 3596, et seq. Applicants should separately request a permit for their specialized carriage.

There being no protests to the application, the requested certificate should be granted, but we will add the restriction that the authority being granted shall exclude the transport over any public highway in this State of any articles which, because of width, length, height, weight, shape, or size require special authority from a governmental agency regulating the use of highways, roads, or streets.

Findings of Fact

- 1. Applicants have the operating personnel, equipment, and the financial ability to conduct the operation as proposed.
- 2. Public convenience and necessity require the operations proposed by applicants.
- 3. It can be seen with certainty that the operations involved in this proceeding will not have any significant effect on the environment.

- 4. A public hearing is not necessary.
- 5. The following order has no reasonably foreseeable impact on the energy efficiency of highway carriers.

 Conclusion of Law

A certificate of public convenience and necessity to operate as a highway common carrier should be granted to Lonnie Ray Blaylock and Delvin D. McDonald, a partnership doing business as B & M Trucking & Hydro-Crane Service, to the extent set forth in the ensuing order.

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 Lonnie Ray Blaylock and Delvin D. McDonald, a partnership doing business as B & M Trucking & Hydro-Crane Service, authorizing them to operate as a highway common carrier, as defined in PU Code Section 213, between the points and over the routes 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, and 104, 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 tariffs required by that General Order.

This order becomes effective 30 days from today.

Dated _______, at San Francisco, California.

ssioners

LONNIE RAY BLAYLOCK

Original Page 1

AND

DELVIN D. McDONALD (a co-partnership)

doing business as

B&M TRUCKING & HYDRO-CRANE SERVICE

Lonnie Ray Blaylock and Delvin D. McDonald, co-partners, 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 Section 213 of the Public Utilities Code for the transportation of general commodities as follows:

Between all points and places in the State of California, except carrier shall not transport any shipments whose origin and destination are both located in the following geographical areas:

- (a) Territory comprised of the Cities of Alameda Albany, Berkeley, Emeryville, Oakland, and Piedmont.
- (b) San Diego County
- (c) City and County of San Francisco.

Issued by California Public Utilities Commission.

Decision <u>93222</u> Application 60264.

CORRECTION

THIS DOCUMENT

HAS BEEN REPHOTOGRAPHED

TO ASSURE LEGIBILITY

- d. Comply with General Orders Series 80, 100, and 104, 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 tariffs required by that General Order.

This order becomes effective 30 days from today.

Dated _____JUN 16 1981 _____, at San Francisco, California.

LONNIE RAY BLAYLOCK

Original Page 1

AND

DELVIN D. McDONALD (a co-partnership)

doing business as

B&M TRUCKING & HYDRO-CRANE SERVICE

Lonnie Ray Blaylock and Delvin D. McDonald, co-partners, 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 Section 213 of the Public Utilities Code for the transportation of general commodities as follows:

Between all points and places in the State of California, except carrier shall not transport any shipments whose origin and destination are both located in the following geographical areas:

- (a) Territory comprised of the Cities of Alameda Albany, Berkeley, Emeryville, Oakland, and Piedmont.
- (b) San Diego County
- (c) City and County of San Francisco.

Issued by California Public Utilities Commission.

Decision <u>93222</u> Application 60264.

LONNIE RAY BLAYLOCK

Original Page 2

AND
DELVIN D. McDONALD
(a co-partnership)
doing business as

B&M TRUCKING & HYDRO-CRANE SERVICE

Except that pursuant to the authority herein 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 semi-plastic 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 lime-stone, 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 <u>93222</u> Application 60264.

LONNIE RAY BLAYLOCK

Original Page 3

AND
DELVIN D. McDONALD
(a co-partnership)
doing business as

doing business as B&M TRUCKING & HYDRO-CRANE SERVICE

- 10. Commodities requiring the use of special refrigeration or temperature control in specially designed and constructed refrigerator equipment.
- 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 semi-solid waste, or any other bulk liquid commodity in any vacuum type tank truck or trailer:
- 14. Commodities of abnormal size and weight which because of such size and weight require the use of and are transported on low bed trailers.

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

Decision 93222 Application 60264.