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ORIGINAL

Decision

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of RELIABLE EXPRESS, INC., a)
California corporation, for a)
certificate of public convenience)
and necessity to operate as a)
highway common carrier for the)
transportation of property in)
intrastate and interstate and)
foreign commerce.)

Application 60409
(Filed March 30, 1981)

O P I N I O N

Reliable Express, Inc. (applicant) requests authority to operate as a highway common carrier in intrastate commerce in the transportation of general commodities, with an updated list of exceptions contained in Exhibit 2, between all points and places in and south of San Luis Obispo, Kern, and San Bernardino Counties, California. It also seeks a finding of public convenience and necessity for coextensive authority to transport the same commodities between the same points in interstate and foreign commerce. At the present time, applicant is engaged in providing service for shipments moving in interstate or foreign commerce wholly within the commercial zone of the City of Los Angeles, which extends 20 miles from the city limits.

Notification of the filing of the application was served upon the California Trucking Association, the Interstate Commerce Commission, and 14 large highway carriers of general commodities doing business in California with whom the proposed service is likely to compete. Applicant caused notice of its filing to be

published in the Federal Register issued on May 1, 1981. The filing of the application was noticed on the Commission's Daily Calendar of April 2, 1981. There was no protest.

Applicant proposes to provide an overnight service on an on-call basis generally from Monday through Friday, excluding Saturdays, Sundays, and holidays. Applicant plans to become a party to all Western Motor Tariff Bureau, Inc., agent, tariff publications necessary to cover its operating rights. Exhibit F to the application contains letters solicited by applicant from six shippers^{1/} and an interstate carrier which support the application. They commend the character of applicant's owner and an employee and discuss the good business relationships and the reliable service now provided by applicant's owner.

Applicant's balance sheet (Exhibit D attached to the application) lists assets of \$204,100 and a net worth of \$79,900, which includes the proceeds of previously issued stock. Applicant proposes to use its existing equipment, which includes two tractors, two semitrailers, and two van pickups, plus additional equipment to be obtained after certification, to provide the proposed service.

^{1/} One of the shippers stated that he knew that applicant would provide extras, such as Saturday pickup and delivery which is important to his business. In Exhibit 3 applicant confirms that Saturday pickups and deliveries will be made on demand. If such extra services, including Saturday pickups and deliveries, are provided, there should be a reasonable surcharge for the extra costs incurred.

The following tabulation summarizes applicant's recorded operations in interstate and foreign commerce for the first six months of 1981, together with a pro forma estimate of the proposed operations for this period, assuming increased operating authority:

Summary of Operations
(January 1, 1981 to June 30, 1981)

	<u>Recorded</u>	<u>Pro Forma</u>
Revenue	\$51,250	\$81,500
Expenses	47,117	67,700
Net Profit	4,133	13,800

Applicant alleges that:

- a. Many of the shippers using its services have requested it to expand its services to include intrastate service as well as services in interstate or foreign commerce within the expanded area requested.
- b. It is financially capable of providing the service and is willing and able to provide additional capital, if needed.
- c. The granting of this application will have no significant effect on the quality of the environment.
- d. Granting the application will not involve an action which will significantly affect energy efficiency. The competitive nature of its business requires it to be cost-conscious. By obtaining maximum loading of equipment and by dispatching over routes involving the least amount of mileage to serve its customers, it is as energy-efficient as possible. (See Exhibit 1.)

Findings of Fact

1. Applicant is presently shipping goods moving in interstate and foreign commerce wholly within the commercial zone of the City of Los Angeles, which extends 20 miles from that city's limits.

2. Applicant has been requested to expand its services to include intrastate service between all points and places in and south of San Luis Obispo, Kern, and San Bernardino Counties, California, and to serve interstate and foreign commerce within this expanded area.

3. Applicant furnished a certified copy of its articles of incorporation to the Commission.

4. Applicant's balance sheet as of February 1, 1981 shows assets of \$204,100 (including \$159,000 in equipment) liabilities of \$124,200 (including \$116,500 due on equipment), and a net worth of \$79,900.

5. Six shippers and an interstate carrier support its application and state they would use applicant's proposed service.

6. Applicant has the ability, financial capability, and equipment to conduct the proposed operations.

7. Applicant would be a party to tariff publications of Western Motor Tariff Bureau, Inc., as well as other tariffs necessary to cover its operations in intrastate, interstate, and foreign commerce.

8. Public convenience and necessity require that applicant be granted authority to operate as a highway common carrier, as defined in Public Utilities (PU) Code Section 213, for transportation of general commodities, with the updated list of exceptions contained in Exhibit 2, between all points and places in and south of San Luis Obispo, Kern, and San Bernardino Counties, California.

9. Public convenience and necessity also require that applicant be authorized to engage in interstate and foreign commerce within the scope of intrastate operations authorized by this decision.

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

11. The following order has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

12. A public hearing is not necessary in this matter.

Conclusions of Law

1. Applicant has demonstrated public convenience and necessity, and the application should be granted to the extent set forth in Findings of Fact 8 and 9.

2. The effective date of this order should be the date of signature in order that applicant may provide needed services as a highway common carrier as soon as possible.

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 applicant, Reliable Express, Inc., a corporation, authorizing it to operate as a highway common carrier, as defined in PU Code Section 213, to the extent specified in Appendix A of this decision.

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, 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 24 (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 is effective today.

Dated NOV 3 1981, at San Francisco, California.

JOHN E. DRYSON
President
RICHARD D. GRAVELLE
LEONARD M. GRIMES, JR.
VICTOR CALVO
PRISCILLA C. GREW
Commissioners

*I certify that this decision was
approved by the above Commissioners today.*
John E. Dryson

Reliable Express, 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:

Between all points and places in and south of the Counties of San Luis Obispo, Kern, and San Bernardino.

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 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 limestone, in bulk or in packages, when loaded substantially to capacity.

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Decision 93701, Application 60409.

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. 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)

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