

PUC-77

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Uniform Cover and Calendar Sheets

1. <u>REPORT DATE:</u>	:	2. <u>BUREAU AGENDA NO.</u>
May 11, 1988	:	JUN-88-T-541*
3. <u>BUREAU:</u>	:	
Transportation	:	
4. <u>SECTION</u>	:	5. <u>PUBLIC MEETING DATE:</u>
Technical Review	:	
6. <u>APPROVED BY:</u>	:	June 9, 1988
Director: Ernst 7-2154	:	
Supervisor: Bigelow/Marzolf 3-5945	:	
7. <u>MONITOR:</u>	:	
	:	
8. <u>PERSON IN CHARGE:</u>	:	
White 7-4387	:	
9. <u>DOCKET NO.:</u>	:	
A-00105837, F. 1, Am-D	:	
10. (a) <u>CAPTION</u> (abbreviate if more than 4 lines)		
(b) Short summary of history & facts, documents & briefs		
(c) Recommendation		

DOCKETED
 JUN 30 1988

(a) Application of Pioneer Transport, Inc., Lancaster, Lancaster County, for amendment to its common carrier certificate: SO AS TO PERMIT the transportation of property, from the Pennsylvania facilities of Lukens Steel Company, Carpenter Technology Corporation, Falconbridge U.S., Inc., Allegheny Ludlum Steel Corporation, Jessup Steel Company, East Penn Manufacturing Company, Glen Gery Corporation and Trim-Master Corporation, to points in Pennsylvania, and vice versa; subject to the following condition: Provided that no right, power or privilege is granted to transport commodities in bulk, in tank or hopper-type vehicles.

(b) Six carriers protested the application. Two carriers withdrew upon reconsideration of their interest in the matter. The four remaining protestants withdrew when the applicant restrictively amended the application by limiting service to only four of the eight shippers as originally proposed. We find that the shippers have all attested to a need for transportation of their product specifically from their plants to points in Pennsylvania. None of the shippers have expressed a need for transportation of property in the vice versa direction. We further find that the applicant has shown that a public need for the service as proposed and modified does exist, and that it is fit, ready, willing and able to render same.

RW:11

(Continued)

11. <u>MOTION BY:</u>	Commissioner Chm. Shane	Commissioner Taliaferro - Yes
		Commissioner Rhodes - Yes
<u>SECONDED:</u>	Commissioner Smith	Commissioner Fischl - Yes

CONTENT OF MOTION: Staff recommendation adopted.

**DOCUMENT
 FOLDER**

(c) The Bureau of Transportation recommends that the Commission adopt the proposed order approving the application as amended and modified.



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG, Pa. 17120
June 16, 1988

IN REPLY PLEASE
REFER TO OUR FILE
A-00105837
F.1, Am-D

Charles E. Creager, Esquire
1329 Pennsylvania Avenue
P.O. Box 1417
Hagerstown, PA 21741

Application of Pioneer Transport, Inc., a corporation of the Commonwealth of Pennsylvania

Enclosed is the compliance order issued by the Commission in this proceeding.

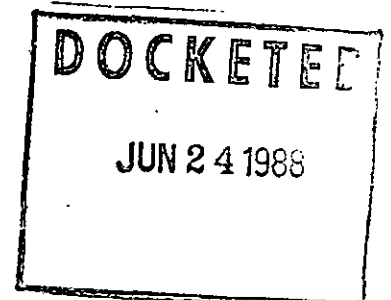
The applicant will not be permitted to operate or engage in any transportation granted by the enclosed order until a tariff has been prepared and filed in accordance with the enclosed instructions.

Motor carriers operating without complying with the above requirement will be subject to the penalty provisions of the Public Utility Code.

Commission regulations require compliance with the above requirement within sixty (60) days of the date of this letter. Failure to comply within the sixty (60) day period will cause the Commission to rescind the action of June 9, 1988 and dismiss the application without further proceedings.

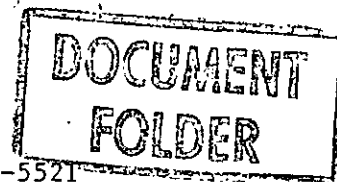
Very truly yours,

Jerry Rich
Secretary



cc: Pioneer Transport, Inc.
543 Strasburg Pike
Lancaster, PA 17602

Enclosure
Certified Mail
Receipt Requested
Tariff Contact Person: Joseph Machulsky (717) 787-5521



PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

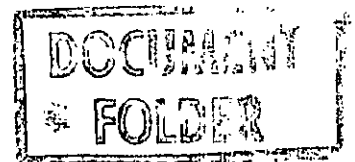
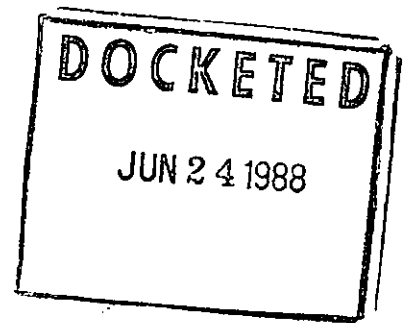
Public Meeting held June 9, 1988

Commissioners Present:

Bill Shane, Chairman
William H. Smith, Vice-Chairman
Linda C. Taliaferro
Joseph Rhodes, Jr.
Frank Fischl

Application of Pioneer Transport, Inc., a corporation of the Commonwealth of Pennsylvania, for amendment to its common carrier certificate, which grants the right, inter alia, to transport by motor vehicle, metal, including iron, steel, aluminum and copper, metal products; and materials, supplies and equipment used in the manufacture or distribution of such commodities, for High Steel Service Center, Inc., from points in Pennsylvania to its facilities located in the city of Lancaster, Lancaster County; subject to the following condition: Provided that no right, power or privilege is granted to transport commodities in bulk, in tank or hopper-type vehicles: SO AS TO PERMIT the transportation of property, from the Pennsylvania facilities of Lukens Steel Company, Carpenter Technology Corporation, Falconbridge U.S., Inc., Allegheny Ludlum Steel Corporation, Jessup Steel Company, East Penn Manufacturing Company, Glen Gery Corporation and Trim-Master Corporation, to points in Pennsylvania, and vice versa; subject to the following condition: Provided that no right, power or privilege is granted to transport commodities in bulk, in tank or hopper-type vehicles.

A-00105837
F. 1
Am-D



Creager & Newhouse, by Charles E. Creager for the applicant.
Kriner, Koerber and Kirk, by Dwight L. Koerber, Jr., for protestants:
Butler Trucking Company and Kephart Trucking Co.
McNees, Wallace & Nurick, by William A. Chesnutt for protestant,
Daily Express, Inc.
Edmond B. Frock, Jr., for protestant, H. M. Kelly Trucking, Inc.

Harper & Driver, by Larry R. McDowell for protestant, Ace Motor Freight, Inc. Charles Kulp, Jr., for protestant, Kulp & Gordon Motor Freight.

O R D E R

BY THE COMMISSION:

This matter comes before the Commission by an application filed on October 2, 1987, and published in the Pennsylvania Bulletin of October 31, 1987. Six carriers protested the application. Two carriers withdrew their protests upon reconsideration of their interest in the matter. The four remaining protestants withdrew based upon a restrictive amendment submitted by the applicant which limits service to only four of the eight shippers named in the authority as originally proposed. A further condition has been imposed which prohibits the transportation of brick and refractory products.

The application, in its amended form, is now unopposed and the record is certified to the Commission for its decision without oral hearing. Verified statements were submitted by the applicant and four shippers.

David H. Maurer is secretary-treasurer of Pioneer Transport, Inc. (Pioneer or applicant) and has entered a verified statement on its behalf. The company is headquartered at 543 Strasburg Pike, Lancaster, Lancaster County, with other Pennsylvania terminal facilities located in Lebanon, Malvern, Irwin and Coatesville.

Pioneer is affiliated with Falcon Transport, Inc., a carrier which holds I.C.C. authority, but none from this Commission. The applicant witness and John L. Friant, president of Pioneer, are the major stockholders of Falcon. Both carriers share mutual terminal facilities, and most functions are managed in concert between the two companies.

Pioneer operates with equipment which is permanently leased from owner-operators. There are 10 tractors and 10 trailers available at the Malvern terminal; 9 tractors and 9 trailers are available at Irwin; 5 tractors and 5 trailers are available at Lebanon; 7 tractors and 7 trailers are available at Coatesville, and 2 tractors and 2 trailers are stationed at Lancaster. A safety program is administered under the direction of a full-time safety director.

An unaudited balance sheet indicates that as of February 29, 1988, the applicant had current assets of \$107,532, total assets of \$107,885 and current liabilities of \$7,000, with total liabilities of \$12,833, leaving stockholders' equity of \$95,052. An unaudited profit and loss statement for the year to date, shows that from revenues of \$31,573, the applicant had expenses of \$28,755, resulting in a net profit of \$2,818.

Chester Smith, general supervisor of transportation services for Allegheny Ludlum Steel, a Division of Allegheny Ludlum Corporation (or shipper), has entered a supporting verified statement. As pertinent here,

the company has Pennsylvania manufacturing facilities located at West Leechburg, Brackenridge, Coatesville and Bagdad. The corporate offices are located in Pittsburgh.

The shipper is engaged in a substantial private carriage operation. It also utilizes the services of various common carriers and contract carriers. Because of the considerable tonnage involved at all times, a large pool of motor carriers must be available on a continuing basis. It needs the services of as many carriers with specialized equipment on hand as possible.

The transportation involves the pick-up of processed iron and steel at the various plants for delivery in such representative points as Philadelphia, Downingtown, Washington and Erie. Service is also required between all of the Pennsylvania facilities. It is important that an adequate supply of flatbed trailers are available.

Thomas Lichtenwalter is the production manager for Trim-Master, Inc., a manufacturer of steel products such as bins, tanks and hoppers, at a plant located in Temple, Berks County. He has entered a supporting verified statement attesting to a need for the proposed service for approximately two loads per month.

The commodities involved are large and sometimes a crane is needed for loading or unloading which requires scheduling the deliveries when the cranes are available. Carrier deliveries must be made at the scheduled times to avoid very costly delays. One other carrier is currently being used and the service is satisfactory, however, the services of more than one reliable carrier is needed. Some of the loads are over-dimensional as to width and length. Many carriers shy away from the traffic when special permits are required.

James DeLong is the traffic manager for East Penn Manufacturing Co., Inc., and supports the applicant. The company manufactures electric storage batteries at a plant located in Lyon Station, Berks County. Its customers include automotive and other retail stores such as Western Auto and K-Mart, which necessitates delivery service throughout all areas of Pennsylvania.

The applicant would be used as a back-up carrier to private carriage, resulting in several truckloads a month. Other common carriers such as New Penn and Ward Trucking are also used. There are times when the freight available is too much for the carriers to handle, including the private carriage operation. A good, responsive carrier with nearby facilities is essential. In this respect, one of the applicant's terminals is close to the plant which should result in timely response to pick-up calls.

Robert F. Toia, traffic and transportation manager for Lukens Steel, a Division of Lukens, Inc., supports the application. The location of its facilities are in the city of Coatesville and borough of South Coatesville, Chester County and Conshohocken, Montgomery County. It is engaged in the manufacture of steel plates. The plates are not a finished product, but are used by its customers for further fabricating into the size and shape needed

for their own purposes. Its customers include bridge, locomotive, shipbuilding and heavy construction equipment manufacturers.

Many of Lukens' customers are located throughout Pennsylvania, particularly in large industrial areas such as Erie, Pittsburgh and Philadelphia. It presently uses the services of A. Duie Pyle, Kulp and Gordon, Jones Motor and Liedtka Trucking, and the service is satisfactory. Its support here is based on a substantial increase in business and the need for additional authorized carriers with flatbed equipment. There are occasions when equipment is not available. The applicant operates with flatbeds in the area of the two manufacturing plants which is ideal for transporting the product to customers in a timely fashion.

DISCUSSION AND FINDINGS

By this application, in its amended form, Pioneer Transport, Inc., seeks authority to transport property from the facilities of Lukens Steel Company, Allegheny Ludlum Steel Corporation, East Penn Manufacturing Company and Trim-Master Corporation, to points in Pennsylvania and vice versa. There are two attendant conditions which prohibit the transportation of commodities in bulk, in tank or hopper-type vehicles, and brick and refractory products.

Each of the four named shippers, i.e., Allegheny Ludlum, Lukens Steel, East Penn Manufacturing and Trim-Master, have attested to the need for the applicant's services in a back-up capacity to private carriage, common carriage or both. Each shipper has been explicit in its needs for the transportation of products from the plant to the customer or to other branch facilities. None however, have shown any specific need for the transportation of property in the vice versa direction back to their plants. In keeping with the evidence of record before us, any authority granted hereinafter will be modified to reflect the shippers' demonstrated needs.

We find:

1. That, as originally proposed, the applicant sought authority to render service from the facilities of eight specifically named shippers.
2. That, by restrictive amendment, service from the facilities of four of the eight shippers has been eliminated.
3. That the four remaining shippers have entered their support for the proposed service.
4. That the shippers have shown need for service from their facilities to points in Pennsylvania.
5. That none of the shippers have shown need for the transportation of property back to their facilities.
6. That a public need for the proposed service as amended and hereinafter modified does exist.

7. That the applicant is fit, ready, willing and able to render the proposed service as amended and modified.

8. That approval of the application as amended and modified is necessary for the accommodation and convenience of the public; THEREFORE,

IT IS ORDERED: That the application be and is hereby approved as amended and modified, and that the certificate issued to the applicant on January 3, 1986, as amended, be further amended to include the following right:

To transport, as a Class D carrier, property, from the facilities of Lukens Steel, a Division of Lukens, Inc., Allegheny Ludlum Steel, a Division of Allegheny Ludlum Corporation, East Penn Manufacturing Company, Inc., and Trim-Master, Inc., to points in Pennsylvania;

subject to the following conditions:

1. That no right, power or privilege is granted to transport commodities in bulk, in tank or hopper-type vehicles.
2. That no right, power or privilege is granted to transport brick and refractory products.

IT IS FURTHER ORDERED: That the applicant shall not engage in any transportation granted herein until it shall have complied with the requirements of the Pennsylvania Public Utility Code and the rules and regulations of the Commission relative to the filing and acceptance of a tariff establishing just and reasonable rates.

IT IS FURTHER ORDERED: That in the event the applicant has not, on or before sixty (60) days from the date of the service of this order, complied with the requirements hereinbefore set forth, the application shall be dismissed without further proceedings.

IT IS FURTHER ORDERED: That the authority granted herein to the extent that it duplicates authority now held by or subsequently granted to the applicant, shall not be construed as conferring more than one operating right.

BY THE COMMISSION,



Jerry Rich
Secretary

(SEAL)

ORDER ADOPTED: June 9, 1988

ORDER ENTERED: JUN 16 1988

0001
PIONEER TRANSPORT, INC.
543 STRASBURG PIKE
LANCASTER PA 17602
SELF

0002
CHARLES E CREAGER ESQ ✓
1329 PENNSYLVANIA AVENUE
P O BOX 1417
HAGERSTOWN MD 21741
APPLICANT

0003
DWIGHT L KOERBER JR ESQ ✓
110 NORTH SECOND STREET
P O BOX 1320
CLEARFIELD PA 16830
BUTLER TRUCKING CO PROTESTANT

0004
~~DWIGHT L KOERBER JR ESQ~~
~~110 NORTH SECOND STREET~~
~~P O BOX 1320~~
CLEARFIELD PA 16830
KEPHART TRUCKING CO PROTESTANT

0005
WILLIAM A CHESNUTT ESQ ✓
100 PINE STREET
P O BOX 1166
HARRISBURG PA 17108-1166
DAILY EXPRESS INC PROTESTANT

0006
CHARLES KULP JR TRAFFIC MANAGER ✓
POTHOUSE ROAD
P O BOX 628
PHOENIXVILLE PA 19460
KULP & GORDON INC PROTESTANT

0007
EDMOND B FROCK JR PRESIDENT ✓
P O BOX 87
NEW OXFORD PA 17350
H M KELLY INC PROTESTANT

0008 ✓
LARRY R MCDOWELL ESQ
707 AVENUE OF THE ARTS BUILDING
BROAD AND CHESTNUT STREETS
PHILADELPHIA PA 19107
ACE MOTOR FREIGHT INC PROTESTANT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. Restricted Delivery
↑(Extra charge)↑

3. Article Addressed to: <i>A 105837, F. I. AM-D & Dwight S. Koerber</i>	4. Article Number 44875
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid) <i>107</i>
6. Signature - Agent <i>X Duane Canich</i>	
7. Date of Delivery	

PS Form 3811, JUN 17 1988 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. Restricted Delivery
↑(Extra charge)↑

3. Article Addressed to: <i>A 105837, F. I. AM-D & Edmond B. Trud, Jr.</i>	4. Article Number 44872
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <i>X Edmond B. Trud, Jr.</i>	
7. Date of Delivery <i>6-17-88</i>	

PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. Restricted Delivery
↑(Extra charge)↑

3. Article Addressed to: <i>A 105837, F. I. AM-D & Charles Kulp Jr.</i>	4. Article Number 44873
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid) <i>107</i>
6. Signature - Agent <i>X Robert Collins</i>	
7. Date of Delivery	

PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. Restricted Delivery
↑(Extra charge)↑

3. Article Addressed to: <i>A 105837 F. I. AM-D & Larry R McDowell, Esq.</i>	4. Article Number 44871
Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	
Always obtain signature of addressee or agent and DATE DELIVERED.	
5. Signature - Addressee X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent <i>X Dorothy C. Wright</i>	
7. Date of Delivery <i>6-20-88</i>	

PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT