(c) Recommendation

PENNSYLVANIA PUBLIC UTILITY COMMISSION Uniform Cover and Calendar Sheets

1.	REPORT DATE:	: 2. BUREAU AGENDA NO.
- •	September 9, 1987	
3.	BUREAU:	SEP-87-T-1109*
••	Transportation	•
4.	SECTION Technical Review	5. PUBLIC MEETING DATE:
6.	APPROVED BY:	September 25, 1987
	Director: Ernst 7-2154 . Supervisor:Bigelow/Marzolf 3-5945	
7.	MONITOR:	DOCKETED
8.	PERSON IN CHARGE: Hoshour 7-5513	OCT 1 5 1987
9.	DOCKET NO.: A-00102471, F. 1, Am-S	
10.	(a) CAPTION (abbreviate if more that (b) Short summary of history & fac	1 -

- (a) Application of Pitt-Ohio Express, Inc., Pittsburgh, Allegheny County, a corporation of the Commonwealth of Pennsylvania, for amendment to its common carrier certificate: SO AS TO PERMIT the transportation of property, for Kaufmann's, from its facilities located in the City of Pittsburgh, Allegheny County, to points in Pennsylvania, and vice versa; subject to the following conditions: That no right, power or privilege is granted to transport household goods in use; and That no right, power or privilege is granted to transport commodities in bulk.
- (b) The application is unprotested and verified statements have been entered by the applicant and one supporting shipper. The applicant is primarily a less-than-truckload carrier and is capable of providing the service sought by the supporting shipper herein. Approval of the application is necessary for the accommodation and convenience to the public.
- (c) The Bureau of Transportation recommends that the Commission adopt the proposed order approving the application.

11. MOTION BY: Commissioner Chm. Shane Commissioner Taliaferro - Yes
Commissioner Fischl - Yes
SECONDED: Commissioner Smith Commissioner

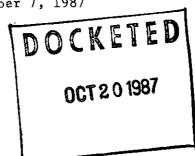
CONTENT OF MOTION: Staff recommendation adopted.



MMONWEALTH OF PENNSYLVANIA PENNSYLVANIA PUBLIC UTILITY COMMISSION P. O. BOX 3265, HARRISBURG, Pa. 17120

October 7, 1987

William J. Lavelle, Esquire 2310 Grant Building Pittsburgh, PA 15219



IN REPLY PLEASE REFER TO OUR FILE A-00102471 F. 1, Am-S



Application of Pitt-Ohio Express, Inc., a corporation of the Commonwealth of Pennsylvania

Dear Sir:

Enclosed, herewith, is supplemental order modifying issued by the Commission in Contract Carrier Permit the above entitled proceeding.

The applicant will not be permitted to operate or engage in any transportation granted by the enclosed order until he has complied with the following tariff requirement:

> Prepare and file a tariff, instructions for which are enclosed.

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

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 September 25, 1987, and dismiss the application without further proceedings.

If you foresee any problems in obtaining the necessary requirement within the specified time period, please contact the Pennsylvania Public Utility Commission--Service Section.

Very truly yours,

jr Encls. Cert. Mail cc: Applicant 26th & A.V.R.R. Pittsburgh, PA 15222

Jerry Rich Secretary

PENNSYLVANIA PUBLIC UTILITY COMMISSION Harrisburg, PA 17120

Public Meeting held September 25, 1987

Commissioners Present:

Bill Shane, Chairman Linda C. Taliaferro Frank Fischl William H. Smith

Application of Pitt-Ohio Express, 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, property, except commodities in bulk and household goods and office furniture in use, for G. C. Murphy Company between points in Pennsylvania: SO AS TO PERMIT the transportation of property, for Kaufmann's, from its facilities located in the city of Pittsburgh, Allegheny County, to points in Pennsylvania, and vice versa; subject to the following conditions: That no right, power or privilege is granted to transport household goods in use; and That no right, power or privilege is granted to transport commodities in bulk.

A-00102471 F. 1 Am-S



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Vuono, Lavelle & Gray by William J. Lavelle for the applicant.

ORDER

BY THE COMMISSION:

This matter comes before the Commission on an application filed April 13, 1987. Public notice of the application was given in the Pennsylvania Bulletin of May 2, 1987. No protests were filed.

The application is unprotested and the record is certified to the Commission for its decision without an oral hearing. The record consists of verified statements submitted by the applicant and one supporting shipper.

DISCUSSION AND FINDINGS

The applicant, Pitt-Ohio Express, Inc. (applicant or Pitt-Ohio), is a Pennsylvania corporation having its principal place of business at 26th and A.V.R.R., Pittsburgh, Allegheny County. The applicant currently holds a number of operating rights which authorize it to provide service primarily from the western portion of the Commonwealth to the eastern portion, and vice versa. Although the applicant is currently authorized to provide the supporting shipper with transportation under several rights it currently holds, its current authority does not provide for service to all points in Pennsylvania as sought by the instant application.

The terminal of Pitt-Ohio located in Pittsburgh, is a break-bulk facility for its linehaul traffic and the hub for its pick-up and delivery operations in western Pennsylvania, northern West Virginia and eastern Ohio. The Allegheny County terminal is also the current location of the applicant's central dispatch system. Assigned to this facility are approximately 55 vehicles.

As a carrier of general property, Pitt-Ohio currently serves a portion of the needs of the supporting shipper in this proceeding. Pitt-Ohio has transported more than 40 intrastate shipments during the month of May to and from the shipper's facilities in Pittsburgh.

Pitt-Ohio provides a full range of service to its clients including less-than-truckload transportation as well as full truckloads. Approximately 95 percent of the traffic handled by Pitt-Ohio weighs less than 10,000 pounds, with 60 percent weighing less than 1,000 pounds. Service is provided five days per week during normal business hours. A shipper can arrange for special services such as week-ends, evenings and holidays. The applicant tends to spot equipment at the facilities of Kaufmann's in Pittsburgh and at other locations in Pennsylvania. Upon notification, Pitt-Ohio will immediately dispatch a road tractor to pick-up the loaded trailer for movement to its final destination. It is anticipated that all shipments will be delivered on either overnight or second-day basis to any point in Pennsylvania.

Jerry Hall, traffic manager for Kaufmann's (Kaufmann's or supporting shipper), sets forth on behalf of the supporting shipper that Kaufmann's is affiliated with the May Company Department Store chain. In Pennsylvania, Ohio and West Virginia, Kaufmann's operates 14 stores. A distribution center is located in Pittsburgh, Allegheny County. Support herein is for transportation from the distribution center to the many stores of the supporting shipper.

Since Kaufmann's is a full line department store, its inbound and outbound traffic are basically the same commodities. Approximately 95 percent of all outbound shipments are less-than-truckload in size, ranging in weight from 100 pounds to 2,000 pounds. Truckload shipments

will weigh approximately 15,000 pounds each. The inbound traffic is primarily less-than-truckload in size and ranges in weight from 100 pounds to 5,000 pounds. The remaining shipments are truckload in size and weigh 15,000 pounds to 20,000 pounds each. The supporting shipper selects the carrier to transport all inbound and outbound shipments.

Kaufmann's has hundreds of shipments inbound and outbound from its distribution facility in Pittsburgh. Shipments are destined to such points as Altoona, Blair County; Johnstown, Cambria County and Somerset, Somerset County. It also has shipments moving to central and eastern Pennsylvania including such points as Harrisburg, York, Lancaster and Philadelphia. These destination points are also origin points for inbound shipments to the distribution facility.

Kaufmann's has had difficulty in obtaining service from existing carriers. When service is provided, transportation pick-ups were often delayed for up to 72 hours beyond the scheduled delivery time. The applicant has been used for approximately 6 months to handle both interstate and intrastate shipments pursuant to its current authority. The service provided has been excellent and for this reason Kaufmann's seeks to use the applicant for all intrastate freight in the future.

The record in the instant proceeding contains sufficient evidence to demonstrate that the applicant is qualified to provide the service proposed by the instant application. The applicant has been actively engaged in transporting general commodities throughout the Commonwealth. Pitt-Ohio as a primarily less-than-truckload carrier is qualified to meet the needs of the supporting shipper herein. The record also contains sufficient evidence to demonstrate that the supporting shipper has a need for the type of services provided by the applicant.

We find:

- 1. That the applicant is fit, ready and willing to provide the proposed service.
- 2. That the applicant has met its statutory burden of demonstrating that a public need exists.
- 3. That approval of the application is necessary for the accommodation and convenience to the public; THEREFORE,

IT IS ORDERED: That the application, be and is hereby approved, and that the certificate issued to the applicant on March 4, 1981, as amended, be further amended to include the following right:

To transport, as a Class D carrier, property, for Kaufmann's, from its facilities located in the City of Pittsburgh, Allegheny County, to points in Pennsylvania, and vice versa.

subject to the following conditions:

That no right, power or privilege is granted to transport household goods in use.

That no right, power or privilege is granted to transport commodities in bulk.

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 Public Utility Code and the rules and regulations of this Commission relative to the filing and acceptance of a tariff establishing just and reasonable rates.

IT IS FURTHER ORDERED: That in the event said 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 carrier, shall not be construed as conferring more than one operating right.

BY THE COMMISSION,

Jerry Rich Secretary

(SEAL)

ORDER ADOPTED: September 25, 1987

ORDER ENTERED: OCT 0 7 1987