



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

July 7, 1987

IN REPLY PLEASE
REFER TO OUR FILE

- Mr. John Vuono
Attorney at Law
2310 Grant Building
Pittsburgh, Pa. 15219
- Re: A-00102471, F.I, Am-J; Application of Pitt-Ohio Express, Inc.
for a transfer of a portion of the rights of Hammel's Express, Inc.

Dear Mr. Vuono:

On April 3, 1987, a letter was sent to you requesting clarification of a portion of the fractionalization proposed in the application. A copy of the letter is attached hereto for your reference. It has been three months and no clarification or correspondence has been received.

Please be advised that you will be given an additional thirty (30) days, until August 5, 1987, to submit the information. If no information is received by the date indicated, processing of the application will proceed based on the information before us, which may result in a grant of less than what was proposed.

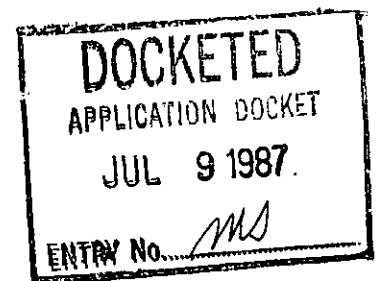
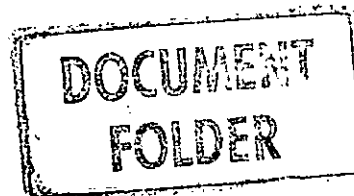
Very truly yours,

Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

PSM:ms

CERTIFIED MAIL

RETURN RECEIPT REQUESTED



LAW OFFICES

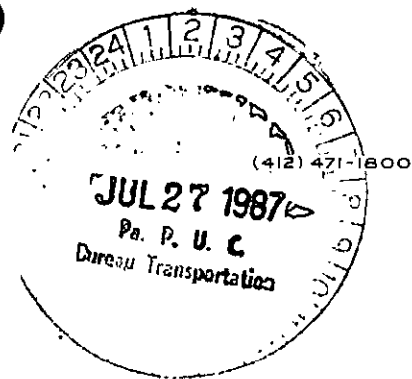
VUONO, LAVELLE & GRAY

2310 GRANT BUILDING

PITTSBURGH, PA. 15219

July 24, 1987

JOHN A. VUONO
WILLIAM J. LAVELLE
WILLIAM A. GRAY
MARK T. VUONO
RICHARD R. WILSON
DENNIS J. KUSTURISS



Re: Pitt-Ohio Express, Inc.--Transferee
Hammel's Express, Inc.--Transferor
Docket No. A-00102471, F. 1, Am-J
Our File 2691-19

Mr. Peter S. Marzolf, Supervisor
Technical Review Section
Pennsylvania Public Utility Commission
North Office Building
P. O. Box 3265
Harrisburg, PA 17120

Dear Mr. Marzolf:

By the above transfer application, the Transferee, Pitt-Ohio Express, Inc., seeks to acquire all of the operating authority of the Transferor, Hammel's Express, Inc., at Docket No. A-00088995, F. 2, Am-F and a portion of the authority of Transferor at Docket No. A-00088995, F. 4.

In your letter of April 3, 1987, you requested an explanation as to why the Transferor is relinquishing the right to render service from Allegheny County to the counties of Lancaster, Lebanon and Berks, and vice versa, while retaining the right to render service from Allegheny County to all other points on and east of U.S. Highway 15, and vice versa. In order to answer your question, we must refer to another proceeding which has since been completed.

On May 28, 1985, we filed with the Commission an application by Pitt-Ohio Express, Inc. to purchase a portion of the operating rights of Exhibitors Service Company at Docket No. A-00024261. Pitt-Ohio Express was granted emergency temporary authority to operate under the portion of the Exhibitors operating rights being transferred. The Commission approved that transfer by Order entered on April 17, 1986 and the authority is now set forth in the Pitt-Ohio Express certificates at Docket No. A-00102471, F. 1, Am-A. It authorizes the transportation of property, subject to certain restrictions, from points in Allegheny County to other points in Pennsylvania, and vice versa, with the exception of several counties including three counties east of U.S. Highway 15, namely, Lebanon, Berks and Lancaster Counties.

The instant transfer application involving Pitt-Ohio Express and Hammel's Express was filed on November 25, 1985, thorough evaluation was made by both parties of their respective operations, terminal locations, equipment availability and

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APPLICATION DOCKET
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ENTRY No. 1100

Mr. Peter S. Marzolf, Supervisor
Page Two
July 24, 1987

service capabilities. Pitt-Ohio Express has terminals in eastern Pennsylvania and Baltimore, MD from which to serve Lebanon, Berks and Lancaster Counties. It now operates in excess of 225 pieces of equipment and serves eastern Pennsylvania on a daily basis. On the other hand, Hammel's Express had a single terminal in Pittsburgh, operated far fewer pieces of equipment, and had decided to concentrate its less-than-truckload operations in western Pennsylvania.

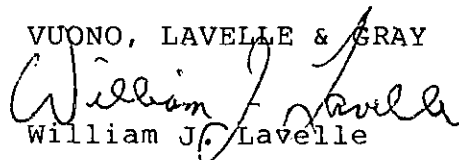
In negotiating to purchase the long-haul operating authority of Hammel's Express, Pitt-Ohio Express took into consideration the fact that it was already acquiring from Exhibitors Service Company virtually statewide authority to and from Allegheny County. It therefore decided not to purchase from Hammel's Express the authority from Allegheny County to points on and east of U.S. Highway 15, or vice versa, with the exception of Lebanon, Berks and Lancaster Counties. For its part, Hammel's Express determined that it could effectively conduct a long-haul operation between its base area, Allegheny County, and eastern Pennsylvania in connection with volume and truckload shipments. That type of operation would not be seriously hampered by the inability to serve Lebanon, Berks or Lancaster Counties.

In summary, Pitt-Ohio Express is acquiring from Hammel's Express the authority to operate from Allegheny County to Lebanon, Berks and Lancaster Counties, and vice versa, in order to fill that three county gap. With the approval of this transfer application it will be in a position to provide a complete service to the public between all points on and west of U.S. Highway 219, on the one hand, and, on the other, all points on and east of U.S. Highway 15. Hammel's Express is relinquishing the right to operate from Allegheny County to Lebanon, Berks and Lancaster Counties, and vice versa, since the absence of such authority will not interfere in any way with the truckload type operation it intends to conduct between Allegheny County and points on and east of U.S. Highway 15.

We trust that this explanation answers your questions and will permit the application to be processed to a conclusion in the near future. If additional information is required, please advise us.

Sincerely yours,

VUONO, LAVELLE & GRAY


William J. Lavelle