



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

October 16, 1984

IN REPLY PLEASE
REFER TO OUR FILE

John A. Pillar
Attorney at Law
1500 Bank Tower
307 Fourth Avenue
Pittsburgh, PA 15222

In re: A-00102306, F. 1, Am-E

Application of Klapec Trucking Company.

Dear Mr. Pillar:

The above referenced application has been assigned for review without an oral hearing. In order to reach a determination on the application, you are being requested to file verified statements in accordance with 52 Pa. Code §3.381(e)(1). You will be required to file:

- A. VERIFIED STATEMENT OF APPLICANT.
- B. VERIFIED STATEMENTS IN SUPPORT OF APPLICATION.

The verified statements should be in paragraph form. Each heading contained in the attached minimum outline should be a separate section or paragraph.

You are being granted an initial thirty (30) days to file verified statements. They will be due on or before November 15, 1984.

If additional time is required, it may be requested by telephone but should be followed in writing with the reasons for the extension stated.

Questions about your application should be directed to William P. Hoshour (717) 787-5513.

Very truly yours,

By William P. Hoshour
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Non-Rail Transportation

DOCUMENT
FOLDER

DOCKETED
APPLICATION DOCKET
OCT 16 1984
ENTRY No. *ms*

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PILLAR AND MULROY, P.C.

ATTORNEYS-AT-LAW
1500 BANK TOWER
307 FOURTH AVENUE
PITTSBURGH, PA. 15222
TELEPHONE (412) 471-3300

RECEIVED

NOV 19 1984
SECRETARY'S OFFICE
Public Utility Commission

JOHN A. PILLAR
THOMAS M. MULROY
SALLY A. DAYOREN
KEVIN W. WALSH

November 15, 1984

Jerry Rich, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17120

Re: Application of Klapec Trucking Company
Docket No. A-102306, F.1, Am-E
File No. 689-2

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Non-Rail Traffic
Public Utility Comm.

Dear Mr. Rich:

Enclosed for filing is the original and one copy of the Applicant's Verified Statements in connection with the above-captioned application proceeding.

Please acknowledge receipt of the enclosures on the duplicate of this letter of transmittal and return it in the stamped, self-addressed envelope provided for that purpose. If any additional information is required, please contact the undersigned.

Very truly yours,



KEVIN W. WALSH

jhm

Enclosures

cc: Klapec Trucking Company (w/encl.)

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of
KLAPEC TRUCKING CO.

Docket No. A.00102306, F.1, Am-E

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SECRETARY'S OFFICE
Public Utility Commission

APPLICANT'S VERIFIED STATEMENTS

RECEIVED

NOV 19 1984

SECRETARY'S OFFICE
Public Utility Commission

JOHN A. PILLAR, ESQ.
KEVIN W. WALSH, ESQ.
Attorneys for
KLAPEC TRUCKING COMPANY,
Applicant

PILLAR AND MULROY, P.C.
1500 Bank Tower
307 Fourth Avenue
Pittsburgh, PA 15222
(412) 471-3300

Due Date: November 15, 1984

DOCUMENT
FOLDER

DOCKETED
APPLICATION DOCKET
NOV 21 1984
ENTRY No. 17120

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of

KLAPEC TRUCKING COMPANY
Docket No. A-00102306, F.1, Am-E

I. INTRODUCTORY STATEMENT

By this application, as restrictively amended, Klapec Trucking Company (hereinafter Klapec or applicant) seeks authority to operate as a common carrier, by motor vehicle, transporting:

To transport property (excluding household goods in use, commodities requiring dump vehicles and shipments weighing less than 10,000 pounds from one consignor to one consignee) (1) between points in the County of Venango, and from points in said County, to points in Pennsylvania and vice versa; and (2) between points in the City of Titusville, Crawford County and from points in said City to points in Pennsylvania and vice versa;

subject to the following restriction:

Provided that no right, power or privilege is granted to transport refined petroleum products, in bulk, in tank vehicles.

Provided that no right, power or privilege is granted to transport sand, in bulk, from Pennsylvania Glass Sand Corporation located in the Counties of Mifflin and Huntingdon;

Further provided that no right, power or privilege is granted to transport limestone and limestone products from points in York County;

Provided further that no right, power or privilege is granted to provide any service to and from the Townships of Penn and Shrewsbury and the Boroughs of New Freedom, Shrewsbury and Hanover, York County;

Provided further that no right, power or privilege is granted to provide service to or from the facilities of (1) American Home Foods Division located in Turbot Township and the Borough of Milton, Northumberland County and (2) Hammermill Paper Company located in the City of Erie, Erie County and the City of Lockhaven, Clinton County; and

Provided further that no right, power or privilege is granted to provide service to or from the facilities of Zurn Industries, Inc., Copes-Vulcan, General Electric Co. and Insul-Board Co., located in the County of Erie.

As restrictively amended, this application is unopposed and has been set down for disposition under the Commission's modified procedure by its Bureau of Non-Rail Transportation, Technical Review Section. Accordingly, Klapec now submits its verified statements in support of the application.

II. VERIFIED STATEMENT OF J. BERNARD KLAPEC ON
BEHALF OF KLAPEC TRUCKING COMPANY

I. Legal Name and Domicile of Applicant

Klapec Trucking Company, a Pennsylvania corporation, has its principal place of business at 673 North Seneca Street, Oil City, Venango County, PA 16301.

II. Identity and Qualifications of Testifying Witness

My name is J. Bernard Klapec, and I am the President of Klapec Trucking Company. As such, I am fully familiar with the equipment, operating authority and capabilities of the applicant, and I am authorized to testify on its behalf in this application proceeding before the Pennsylvania Public Utility Commission.

III. Affiliations With Other Carriers

The applicant in this proceeding is not affiliated with any other motor common or motor contract carrier, either through common ownership or common management.

IV. Authority Sought

By this application, as restrictively amended, Klapec Trucking Company seeks authority to operate as a common carrier, by motor vehicle, transporting:

To transport property (excluding household goods in use, commodities requiring dump vehicles and shipments weighing less than 10,000 pounds from one

consignor to one consignee) (1) between points in the County of Venango, and from points in said County, to points in Pennsylvania and vice versa; and (2) between points in the City of Titusville, Crawford County and from points in said City to points in Pennsylvania and vice versa;

subject to the following restriction:

Provided that no right, power or privilege is granted to transport refined petroleum products, in bulk, in tank vehicles.

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Provided further that no right, power or privilege is granted to provide service to or from the facilities of (1) American Home Foods Division located in Turbot Township and the Borough of Milton, Northumberland County and (2) Hammermill Paper Company located in the City of Erie, Erie County and the City of Lockhaven, Clinton County; and

Provided further that no right, power or privilege is granted to provide service to or from the facilities of Zurn Industries, Inc., Copes-Vulcan, General Electric Co. and Insul-Board Co., located in the County of Erie.

V. General Scope of Currently Authorized Operations

Klapec Trucking Company presently holds operating authority from this Commission at Docket No. A-102306 pursuant to

which we engage in the transportation of a variety of bulk and non-bulk materials between various points in Pennsylvania. A copy of the Commission Orders granting our present operating authority are attached hereto as Appendix 1.

In addition, Klapec Trucking Company holds operating authority from the Interstate Commerce Commission at Docket No. MC-135824 pursuant to which we engage in the transportation of general commodities from eight named counties situated in northwestern Pennsylvania to points in the forty-eight continental United States. Pursuant to our interstate operating authority, we have provided transportation service for many of the supporting shippers to this application.

VI. Duplicating Authority

Since the instant application seeks authority to transport property with various exclusions, and Klapec Trucking Company presently holds extensive operating authority from this Commission, duplicating authority will result from a grant of this application. However, since much of the applicant's present authority is limited to service for a specific shipper, any resulting duplicating authority would be minimal. The applicant understands and agrees that any duplicating authority that may result from a grant of this application cannot be severed by sale or transfer.

VII. Dual Operations

Since the Applicant herein presently holds motor common carrier operating authority and this application seeks further motor common carrier operating authority, no dual operations will result from a grant of the instant application.

VIII. Pertinent Terminal Facilities and Communications Network

The applicant's terminal facility is located at 673 North Seneca Street, Oil City, Venango County, PA 16301. At this two acre location we have a four bay maintenance garage, two storage buildings and an office building where billing, dispatching and other business functions are performed. We presently employ forty drivers for the provision of motor carrier transportation services and employ four full-time mechanics for maintenance and repair of our motor vehicle equipment. In addition, we presently employ three office personnel.

Our drivers are dispatched from our facility in the morning and are instructed to telephone our terminal facility at the completion of a haul for purposes of further dispatch. This minimizes empty backhauls and increases our flexibility to serve other shippers.

IX. Pertinent Equipment

Attached hereto as Appendix 2 is a recent equipment list denoting motor vehicle equipment presently owned and operated by Klapac Trucking Company in its certificated operations. As

a review of that Appendix indicates, Klapec presently owns and operates twenty-five tractors and forty trailers consisting of flatbed units, dump units, pneumatic tank units, drop deck trailers and lowboy trailer equipment. We also own and operate eight tri-axle straight trucks consisting of three tri-axle dump trucks and five tri-axle flatbed trucks. All of this equipment receives regular service and safety checks by our three full-time mechanics to insure its safe operating condition. We have utilized some of this motor vehicle equipment in providing transportation service for the supporting shippers to this application. In addition, we are willing to acquire, either by lease or outright purchase, such additional motor vehicle equipment as may be necessary for the service proposed by this application.

X. Safety Evidence

Klapec Trucking Company takes great pride in our record for safe operations, and the importance of compliance with safety regulations is constantly stressed to our drivers. All of our drivers meet the requirements for safe operations pursuant to federal standards, and we maintain public liability and property damage insurance and cargo insurance in those amounts required by the regulations of this Commission and the Interstate Commerce Commission. Periodic safety meetings are conducted for the benefit of our drivers and safety brochures

posted by our insurance carrier are posted throughout our terminal facility. As aforementioned, all of our equipment receives regular servicing and maintenance and our drivers are instructed to conduct a walk around inspection of the vehicle at the beginning and completion of each haul. We intend to maintain our record for safe operation, and fully intend to comply with all Commission, state and federal safe operation requirements.

XI. Type of Service Currently Provided

As I previously mentioned, Klapec has provided some service for many of the supporting shippers pursuant to our operating authority from the Interstate Commerce Commission and Pennsylvania Public Utility Commission. Limitations on our Pennsylvania intrastate operating authority preclude us from providing a full range of services to these companies. Our past service has given us familiarity with their facilities and shipping requirements. We are confident that we can provide the same cost efficient and expeditious delivery service on an intrastate basis which we have previously provided under our present interstate and intrastate operating authority.

XII. Type of Service Offered

If this application were approved, Klapec intends to utilize our flatbed and van trailer equipment which is ideally

suitied for the transportation of a variety of products. We are willing to offer service twenty-four hours per day, seven days per week. We will provide service for both truckload quantities and less-than-truckload quantities, and will offer a multiple delivery type service. We have the capability of spotting trailer equipment at shipper facilities for loading and unloading. In addition, we are willing to offer any other particular service option which may be necessary to meet the transportation requirements of the supporting companies or their customers.

XIII. Financial Data

Attached hereto as Appendix 3 is the most recent balance sheet and income statement for the applicant. In addition, our annual report is on file with the Commission, and is incorporated herein by reference. Although it is anticipated that the operations proposed by this application will not result in a need for the purchase or lease of additional trailer equipment, we are financially able to do so. While Klapec is in a sound financial position, the approval of this application will have a positive effect on our financial position by increasing the level of utilization of our motor vehicle equipment.

XIV. Feasibility of Operations

The institution of service pursuant to this application would increase the efficiency of our total operations by

increasing our level of equipment utilization while providing us with an additional source of traffic. All of the origins for outbound shipments are located within approximately twenty-five miles of our terminal facility. We will attempt to coordinate shipments under our present intrastate operating authority in an attempt to minimize deadheading wherever possible. In addition, we will attempt to coordinate shipments under our present intrastate operating authority and present interstate operating authority in an attempt to minimize empty backhauls. Through proper coordination of the transportation requirements of these supporting shippers, and the transportation requirements of other customer accounts, an operationally feasible, balanced operation will result.

XV. Other Pertinent Information

By this application, Klapec seeks authority to serve Venango County and the nearby city of Titusville, Crawford County, to or from any point in the Commonwealth, with minor limitations. As many of the supporting witnesses indicate, the application territory involved is not adequately served by any locally based carrier because of its remote location and our relatively small industrial base.

We have, prior to the incorporation of the applicant company, acquired authority to serve many of the major shippers located in the application area. These applications were acquired on a piecemeal basis, over a long period of time, at

great expense to the company. We have not included supporting statements from these companies who we are presently authorized to serve. However, I believe that our present customers agree that Venango County and Titusville sorely need a locally based company with broad operating authority if we hope to expand our industrial base.

While the statements submitted in support of this application may not demonstrate that these companies ship to or from all points in the Commonwealth, these companies do ship or receive a wide variety of products to or from many different areas of the Commonwealth. Upon grant of this application, we intend to solicit many other companies, both large and small, and the authority sought by this application is necessary in order to enable us to serve these companies adequately. We respectfully request this Commission recognize the legitimate need for a local carrier who can meet all of the transportation needs of Venango County and Titusville based shippers, and grant our application in its entirety.

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