

1. <u>REPORT DATE:</u>	:	2. <u>BUREAU AGENDA NO.</u>
May 14, 1992	:	
3. <u>BUREAU:</u>	:	JUN-92-T-481*
Transportation	:	
4. <u>SECTION</u>	:	5. <u>PUBLIC MEETING DATE:</u>
Technical Review	:	
6. <u>APPROVED BY:</u>	:	June 4, 1992
	:	
Director: Ernst 7-2154	:	
Supervisor: Bigelow/Marzolf 3-5945	:	
7. <u>PERSON IN CHARGE:</u>	:	
White 7-4387	:	
8. <u>DOCKET NO.:</u>	:	
A-00102306, F. 1, Am-J	:	

9. (a) CAPTION (abbreviate if more than 4 lines)
 (b) Short summary of history & facts, documents & briefs
 (c) Recommendation

(a) Application of Klapac Trucking Company, Oil City, Venango County, for amendment to its common carrier certificate: SO AS TO PERMIT the transportation of property between points in the county of Forest, and from points in said 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 any shipment weighing less than 10,000 pounds, except for a shipment that may weigh less than 10,000 pounds but which fills the full visible capacity of a trailer, a shipment being defined as a quantity of freight moving from one consignor to one consignee on one bill of lading.

(b) Three carriers filed protests but withdrew upon restrictive amendment which precludes the transportation of certain commodities. the applicant has shown that a public need for the proposed service as amended does exist, and that it is fit, willing and able to render same.

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

RHW:kmb

10. MOTION BY:	Commissioner Chm. Rolka	Commissioner Holland - Yes
		Commissioner
SECONDED:	Commissioner Rhodes	Commissioner

CONTENT OF MOTION: Staff recommendation adopted.

DOCUMENT
FOLDER

DOCKETED
JUL 01 1992



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

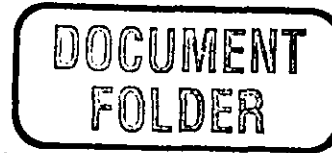
HLS

June 17, 1992

IN REPLY PLEASE
REFER TO OUR FILE

A-00102306, F.1, Am-J

JOHN A PILLAR ESQUIRE
PILLAR & MULROY
SUITE 700
312 BOULEVARD OF THE ALLIES
PITTSBURGH PA 15222



Application of Klapec Trucking Company,
a corporation of the Commonwealth of Pennsylvania

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

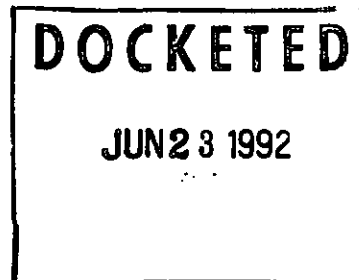
The application will not be permitted to operate or engage
in any transportation granted by the enclosed order until a tariff
has been prepared and filed in accordance with the enclosed
instructions.

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

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 4, 1992 and dismiss
the application without further proceeding.

Very truly yours,

John G. Alford, Secretary



smk
Encls.

Certified Mail

Receipt Requested

Tariff Contract Person: Joseph Machulsky (717) 787-5521

KLAPEC TRUCKING COMPANY

70 ALLEGHENY AVENUE

PO BOX 1278

OIL CITY PA 16301

MODIFICATION

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

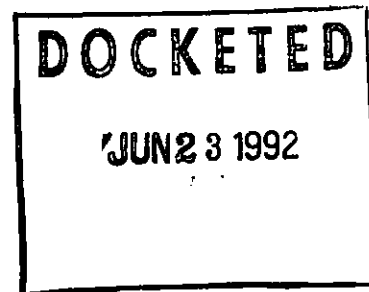
Public Meeting held June 4, 1992

Commissioners Present:

David W. Rolka, Chairman
Joseph Rhodes, Jr., Vice-Chairman
Wendell F. Holland, Commissioner

Application of Klapec Trucking Company, 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, iron and steel, iron and steel articles, and supplies, materials and equipment used or useful in the manufacture and distribution of iron and steel and iron and steel articles, for Electralloy Corporation, between points in Pennsylvania: SO AS TO PERMIT the transportation of property between points in the county of Forest, and from points in said 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 any shipment weighing less than 10,000 pounds, except for a shipment that may weigh less than 10,000 pounds but which fills the full visible capacity of a trailer, a shipment being defined as a quantity of freight moving from one consignor to one consignee on one bill of lading.

A-00102306
F. 1
Am-J



Pillar and Mulroy by John A. Pillar for the applicant.
David F. McAllister for protestant, Butler Trucking Co.
Peter G. Loftus for protestant, Seaboard Tank Lines, Inc.
Kriner, Koerber & Kirk, by Dwight L. Koerber, Jr. for protestant, H. E. Shoup, Inc.

O R D E R

BY THE COMMISSION:

This matter comes before the Commission by an application filed on September 23, 1991, and published in the Pennsylvania Bulletin of November 9, 1991. Three carriers protested the application. One carrier withdrew upon reconsideration of its interest in the matter. The remaining protestants withdrew based upon the provisions of a restrictive amendment which precludes transportation of certain named commodities.

The unopposed record is now certified to the Commission for its decision without oral hearing. Verified statements were submitted by the applicant and six supporting shippers.

J. Bernard Klapec is president of Klapec Trucking Company (Klapec or applicant), and sets forth in his verified statement that Klapec is a Pennsylvania corporation domiciled in Oil City, Venango County. It has held a common carrier certificate from this Commission since 1981, and currently operates under 31 paragraphs of authority. Operations are conducted from a terminal in Reno, Venango County which consists of offices and maintenance facilities.

Klapec operates with a fleet of over 100 vehicles, all of which are company-owned. A comprehensive safety program for drivers and the equipment is administered. As evidence of its financial position, Klapec reports current assets of \$678,096, total assets of \$1,895,944, with current liabilities of \$516,560 and total liabilities of \$942,021, leaving shareholders' equity of \$953,923.

Fred Snell, Sr., owner of Snell Lumber Company domiciled in West Hickory, Forest County, supports the application. The company is engaged in retail sale of lumber, moldings, plywood, and railroad ties. In addition, it makes and sells items such as picnic tables, custom tables, doors, flooring and molding, cement blocks, chimney blocks, etc. Shipments are made in truckload quantities of 48,000 pounds on a weekly basis to customers in Brookville, Union City, Tidioute, with potential customers in Shade Gap, Tunkhannock, Emporium and Kreamer, to name a few. It also has inbound shipments of lumber and plywood from Williamsport, Lycoming County. The applicant is now providing interstate service, and to have it available for the Pennsylvania intrastate traffic is very much desired.

Raymond Schwabenbauer is controller for Hardware Designers, Inc., located in Marienville, Forest County, and states that the company manufactures metal drawer slides for furniture, cabinets and other uses. It ships to various types of customers, including cabinet and furniture manufacturers as well as prisons where furniture is made. The shipments are made in

truckload and less than truckload quantities, with 50 percent exceeding 10,000 pounds in weight. Outbound shipments are made to points such as Williamsport, Allentown, Harrisburg, Philadelphia and Lewisburg. Inbound shipments of basic steel and components are received from Allentown and Sharon. The applicant has the proper equipment and has been providing very good interstate service. The applicant will be used more frequently if this application for outbound and inbound service is approved.

Fred Snell, Jr., is the owner and general manager of Allegheny Cabin Center, a division of Snell Lumber Company, and supports the applicant. The company is domiciled in West Hickory, Forest County, where it is engaged in business as a custom builder of log cabins, including all plumbing, electrical, kitchen, bathroom, closets, and other features. Approximately two cabins a month are shipped to customers which can be located virtually anywhere in Pennsylvania. In the past, shipments have been made to Clarion, Tidioute, Tionesta, Fryburg and other points generally within a 50 mile radius of Forest County. The cabins are shipped in sections, and one tractor-trailer can handle an entire cabin. The applicant has always provided reliable service under its existing authority and the expanded service as proposed herein would be very accommodating.

Ronald A. Songer, Jr., vice president of International Kitchens, Ltd., located in Marienville, Forest County, supports the applicant. The company manufactures and ships bathroom and kitchen cabinets from Marienville to, as pertinent here, customers in Pittsburgh, Allegheny County. It is possible that additional Pennsylvania markets will be developed in the Philadelphia, Harrisburg, Scranton and Erie areas. It is familiar with the applicant and understands that it has the proper type vehicles. The applicant is a local carrier and its services would be a convenience as the Pennsylvania market for the company product grows.

David Klapac is operations manager for Bert Klapac, Inc., which is domiciled in Oil City, Venango County. It is in the general construction business, primarily building roads and small bridges for the Pennsylvania Forest Department and for private individuals. In addition, it is also in the reclamation business and has been cutting up old railroad cars for scrap and transporting them to customers. It needs a carrier who can transport materials and equipment to jobsites and from jobsites to other locations. Approximately 20 to 100 shipments will be made to and from points in Forest County in 1992, involving points such as Hickory, Tionesta and Marienville. In building roads and bridges, it is necessary to move equipment and machinery from the Venango County facilities to the project location. Upon completion of the job, the equipment must be either taken back to Venango County, or to another Forest County jobsite. In addition to machinery and equipment, other commodities such as pipe, limestone, lumber, construction materials, etc., must also be transported, requiring the use of dump trucks, flatbed trailers, lowboys or pipe trailers. The applicant has all of the equipment needed and has been providing good service under its existing authority. It would be very beneficial to have the proposed authority become available and it urges approval of the application.

J. Jack Sherman is president of Tionesta Sand & Gravel, Inc., domiciled in Tionesta, Forest County, and supports the applicant. The company is in the ready mix concrete business and also mines and sells sand and gravel. In addition to the Tionesta facility, it has three sand and gravel facilities in Warren County. It operates approximately 24 pieces of equipment such as backhoes, bulldozers and highlifts which it would rely upon the applicant to transport between locations and jobsites in Forest County, and from Forest County to Warren County. In addition, it ships between 400,000 and 500,000 tons of sand and gravel annually to customers within approximately 100 miles of the Tionesta facilities. Inbound shipments of industrial supplies come from Clarion; inbound shipments of crusher parts come from Carlisle; and other equipment parts come from Pittsburgh. Lately, customers have been using sand and gravel materials in landfill and sewage system construction. The proposed service will be used regularly, especially since the company recently sold its tractor and trailer and no longer moves its own equipment.

DISCUSSION AND FINDINGS

By this amended application, Klapec Trucking Company seeks to amend its common carrier certificate so that it will have the right to transport property between points in Forest County, and from points in Forest County to points in Pennsylvania, and vice versa. Several conditions imposed by restrictive amendment prohibit the transportation of certain commodities.

The applicant is supported by six shippers of such diverse commodities as lumber, plywood, railroad ties, furniture and cabinet hardware, scrap metal, log cabins, plumbing fixtures, bathroom and kitchen cabinets, construction machinery and equipment, pipe, sand and gravel. There is a substantial showing of need for the transportation of "property", to, from and between points in Forest County. The shippers have also indicated that their needs from a weight standpoint are such that the 10,000 pound weight restriction will present no problems.

The applicant has been providing Pennsylvania intrastate service for more than 10 years. Its operating authority is substantial and we have no reason to doubt its ability to adequately render the additional service proposed herein. It is obvious that some duplication of authority will result from the approval of this application. Klapec is fully aware of the duplication and that any authority granted herein is to be construed as conveying only a single right and is not severable.

We find:

1. That the applicant has shown that a public need for the service as proposed and amended does exist.
2. That the applicant is fit, ready, willing and able to provide the service as proposed and amended.

3. That approval of the application, as amended, 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 that the certificate issued to the applicant on March 12, 1981, as amended, be further amended to include the following right:

To transport, as a Class D carrier, property between points in the county of Forest, and from points in said county to points in Pennsylvania, and vice versa,

subject to the following conditions:

- (1) That no right, power or privilege is granted to transport household goods in use.
- (2) That no right, power or privilege is granted to transport any shipment weighing less than 10,000 pounds, except for a shipment that may weigh less than 10,000 pounds, but which fills the full visible capacity of a trailer; a shipment being defined as a quantity of freight moving from one consignor to one consignee on one bill of lading.
- (3) That no right, power or privilege is granted to transport plastic bottles.
- (4) That no right, power or privilege is granted to transport petroleum and petroleum products, in bulk, in tank vehicles, or dry litharge 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 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 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 applicant, shall not be construed as conferring more than one operating right.

BY THE COMMISSION,



John G. Alford
Secretary

(SEAL)

ORDER ADOPTED: June 4, 1992

ORDER ENTERED: JUN 17 1992

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

3. Article Addressed to: *CO. A-00102306, F.I. AM-J*

4a. Article Number: *044833*

4b. Service Type

- Registered
- Certified
- Express Mail
- Insured
- COD
- Return Receipt for Merchandise

7. Date of Delivery: *12/18/91*

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee): *David F. McAllister*

6. Signature (Agent): *D. F. McAllister*

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

Thank you for using Return Receipt Service.

PS Form 3811, December 1991 * U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
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- Attach this form to the front of the mailpiece, or on the back if space does not permit.
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4a. Article Number: *044833*

4b. Service Type

- Registered
- Certified
- Express Mail
- Insured
- COD
- Return Receipt for Merchandise

7. Date of Delivery: *0*

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee): *Dwight H. Kerber, Jr., Gen*

6. Signature (Agent): *SWAN SWAN*

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

Thank you for using Return Receipt Service.

