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C O N T E N T S

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<u>WITNESSES</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
Angelo M. Monaco				
By Mr. Patterson	6	--	37	--
By Mr. Chesnutt		24	--	--
By Mr. Kahn		32	--	--
Angelo M. Monaco (Recalled)				
By Mr. Patterson	39	--	--	--
Joseph H. Kuhn				
By Mr. Patterson	41	--	--	--
By Mr. Chesnutt		51	--	--
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E X H I B I T S

<u>NUMBER</u>	<u>FOR IDENTIFICATION</u>	<u>IN EVIDENCE</u>
<u>Applicant's</u>		
No. 1 (Prepared Testimony of Angelo M. Monaco)	6	--
No. 2 (Amendment to Application)	39	--

P R O C E E D I N G S

1
2 ADMINISTRATIVE LAW JUDGE JOSEPH J. KLOVEKORN: I call
3 to order this hearing in case A. 105101, application of
4 J. F. Lomma, Inc.

5 My name is Joseph Klovekorn. I'm an Administrative
6 Law Judge with the Commission and I've been assigned to
7 preside at this hearing.

8 At this point would the parties please identify
9 themselves for the record?

10 MR. PATTERSON: Your Honor, I'm James W. Patterson,
11 1800 Penn Mutual Tower, in Philadelphia, and I represent
12 the Applicant in this proceeding.

13 MR. CHESNUTT: If Your Honor please, I'm William A.
14 Chesnutt. I'm with the firm of McNees, Wallace and Nurick,
15 P. O. Box 1166, Harrisburg, Pennsylvania 17108. I represent
16 Protestants, Daily Express, Inc. and Moore-Flesher Hauling
17 Company.

18 MR. KAHN: Your Honor, I am Alan Kahn and I represent
19 the Protestants, P. Liedtka Trucking, Inc., David Graham
20 Company and Frank W. Hake, Inc.

21 JUDGE KLOVEKORN: Thank you.

22 Mr. Patterson, would you like to proceed?

23 MR. PATTERSON: Yes, Your Honor. There are a couple
24 of preliminary matters. First of all, we have agreed with
25 representatives of two of the Protestants to a restrictive

1 amendment of the application. I have previously furnished
2 the court reporter with three copies of the amendment,
3 yourself with one and Counsel for Protestants with one.

4 I would ask Your Honor to administratively accept the
5 amendment and if it so accepted I'm authorized by Counsel
6 for Lesoine Services, Inc. and Smith Hauling, Inc. to with-
7 draw their protests based on the acceptance of the amendment.

8 JUDGE KLOVEKORN: Thank you.

9 MR. PATTERSON: In addition, Your Honor, there are
10 several other carriers who have protested this application
11 and either who have advised me that they have withdrawn and
12 authorized me to withdraw their protests -- not on the
13 strength of the amendment -- and two who simply have not
14 arrived here this morning although I've spoken to both of
15 them as late as Friday of last week.

16 I am authorized to withdraw the protest of A. Duie
17 Pyle, Inc. without amendment; and I'm not aware of the reason
18 for the absence of a representative of Campbell's Moving
19 Company, Inc. or for the absence of a representative of
20 McCormick Dray Line, Inc.

21 I spoke to the new President of McCormick Dray Line,
22 Inc. on Friday, a Mr. James Webb, and he did not indicate
23 either that he was withdrawing the protest or that he would
24 be here. I volunteered to find him Counsel in the case, to
25 advise him who Counsel were so he could sign on, and he did

1 not take me up on that offer. I have no means by which to
2 determine -- I called him this morning as well and he was
3 gone for two days according to his office. I have no explan-
4 ation for the absence of McCormick.

5 The same goes for Counsel for Campbell's Moving Company,
6 Inc. I spoke with him on Friday. I attempted to discuss
7 with him -- or did discuss with him my view that Campbell's
8 has no axe to grind in this proceeding. He indicated that
9 he would get back to me and he has not done so.

10 Accordingly, for lack of prosecution I hereby move to
11 dismiss the protests of Campbell's Moving Company, Inc. and
12 McCormick Dray Line, Inc. I have absolutely no objection if
13 Your Honor wishes to table that motion until either the end
14 of today or the end of tomorrow just in case somebody is
15 held up at an airport or something like that.

16 JUDGE KLOVEKORN: Why don't we do that?

17 MR. PATTERSON: Your Honor, the Applicant calls
18 Angelo Monaco as its first witness.

19 Whereupon,

20 ANGELO M. MONACO

21 having been duly sworn, testified as follows:

22 MR. PATTERSON: May we go off the record for a moment?

23 JUDGE KLOVEKORN: Off the record.

24 (Discussion off the record.)

25 JUDGE KLOVEKORN: Back on the record.

1 MR. PATTERSON: Your Honor, I have previously
2 distributed to the parties, to the court reporter and to
3 yourself a multipaged document headed, "Prepared Testimony of
4 Angelo M. Monaco, Vice-President, J. F. Lomma, Inc.," and
5 would ask that that document be marked as Applicant's Exhibit
6 1 in this proceeding.

7 JUDGE KLOVEKORN: Without objection it will be so
8 identified.

9 (Whereupon, the document was
10 marked as Applicant's Exhibit
11 No. 1 for identification.)

12 MR. PATTERSON: Your Honor, attached to Exhibit 1 are
13 five numbered appendices consisting of various documents which
14 are referred to in the prepared testimony.

15 DIRECT EXAMINATION

16 BY MR. PATTERSON:

17 Q. Mr. Monaco, first off, would you state your name
18 and address for the record?

19 A. Angelo M. Monaco, 286 Central Avenue, South
20 Kearny, New Jersey 07032.

21 Q. And are you the Vice-President of J. F. Lomma,
22 Inc.?

23 A. I am.

24 Q. In front of you, Mr. Monaco, is the Exhibit 1
25 for identification which I have previously talked about. Do
you recognize that document?

1 A. Yes.

2 Q. Did you participate in its preparation?

3 A. Yes.

4 Q. Have you reviewed it thoroughly?

5 A. Yes.

6 Q. If you were asked questions regarding the subject
7 matter of your prepared testimony would your answers under
8 oath be the same as are set forth therein?

9 A. Yes.

10 Q. Do you adopt Exhibit 1 as your prepared testimony
11 in this proceeding?

12 A. I do.

13 Q. Let's take a moment, Mr. Monaco, and go through
14 the exhibit briefly. At several places in the exhibit the
15 term "rigging" or "rigger" is used; for example, at page two
16 and page eight of the document there is reference to, on
17 page two, to "rigging association" and then on page eight,
18 to the "use of professional, experienced riggers."

19 Q. Could you, for the record, describe what you mean by
20 "rigging"?

21 A. In general terms, the assembly, disassembly,
22 movement thereof, loading or unloading of said equipment.

23 Q. Of what?

24 A. Of various materials of size and shape.

25 Q. If you look at Appendix 2, which consists of a

1 series of photographs and a magazine article, would you look
2 in there and see whether in any of the numbered photographs
3 there is an example of rigging taking place?

4 (Witness perusing documents.)

5 A. Yes.

6 Q. On which one, sir, within Appendix 2, what number?

7 A. Appendix 2, the first page --

8 Q. That's the magazine article?

9 A. Yes.

10 Q. The second page of the appendix?

11 A. Yes, the second page.

12 Q. All right. That's with a little number "1" to
13 the left of it?

14 A. Yes.

15 Q. Any other examples in that collection of photo-
16 graphs?

17 A. Page three; page four -- picture three; picture
18 four; picture five --

19 Q. Now, picture five, is that actually the rigging
20 taking place, if you will?

21 A. If one identifies rigging utilizing crane
22 services, yes.

23 Q. That is, moving the loading on and off of the
24 motor vehicle equipment?

25 A. Yes.

1 Q And a rigger, I take it, as one who does rigging?
2 Is that a fair statement?

3 A Yes, it is.

4 Q Is it likewise a fair statement to suggest that
5 rigging takes place with respect to heavy and bulky commo-
6 ties before the lading is placed on the truck and taken down
7 the road and thereafter when it reaches its place of destin-
8 ation in unloading it from the truck and placing it wherever
9 it is supposed to be, it being the cargo? Are they usually
10 the two occasions when rigging occurs in connection with
11 heavy hauling transportation?

12 A It might be, yes.

13 Q Does it occur at any other time during transporta-
14 tion?

15 A It may.

16 Q How could that occur?

17 A If in the transportation of materials there are
18 potential problems developing because of road conditions
19 prior to subsequent rigging programs may be required to
20 circumvent that.

21 Q For example?

22 A An underpass or a severe overpass or a culvert
23 which may be required to shift and/or to transfer the load.

24 Q Now, sir, if you will, turn to page three of
25 your testimony. There is a list of origins and destinations

1 on that page, all within Pennsylvania. Were many of these
2 origins and desintations served by J. F. Lomma, Inc. during
3 1984 on more than one occasion?

4 A. Yes.

5 Q. So that if more than one occurence of service to
6 one of the many points happened in 1984, did you only list it
7 once?

8 A. I did.

9 Q. Now, sir, turn if you would to page five, to the
10 middle of the page where there is a breakdown of employees of
11 J. F. Lomma, Inc. During most of 1983 did J. F. Lomma, Inc.
12 employ the same or essentially the same number of people?

13 A. We did not.

14 Q. How many people would you say over the first ten
15 months of 1983 were employed by J. F. Lomma, as a fair average?

16 A. Thirty-two, 33 people.

17 Q. And when did the number of employees begin to
18 increase?

19 A. Mid-November '83 to the present.

20 Q. And are you still adding employees?

21 A. We are.

22 Q. Now, sir, you have attached hereto, attached to
23 Exhibit 1, as Appendix 3, an eight page equipment list which
24 is headed, "January, 1984, Equipment List." Do you see that?

25 A. Yes.

1 Q Is this equipment list an accurate representation
2 of the current equipment compliment of J. F. Lomma, Inc.?

3 A No.

4 Q Could you indicate as you go through these pages
5 what equipment, if any, has been added or what, if any, has
6 been deleted from your equipment list?

7 A Okay. Page two of the equipment list is
8 accurate as of this date. It's a listing of power tractors.

9 Page three is complete.

10 Page four is complete.

11 Page five is complete.

12 MR. KAHN: Let me see if I'm keeping up with you.

13 MR. PATTERSON: Page five starts with Unit 325 at the
14 top.

15 MR. KAHN: Transcraft, 1981?

16 THE WITNESS: Yes, sir.

17 Page number six is incomplete.

18 BY MR. PATTERSON:

19 Q All right. Would you give us additions or
20 deletions?

21 A There have been four additions.

22 Q All right, sir.

23 A Series 500, there's a double-drop trailer
24 classification within our fleet and four units have come in
25 within the last 15 days that have yet to be titled and

1 registered.

2 Q Any deleted?;

3 A No. Of the four units, two are Birmingham Trailers,
4 two are Transcraft Trailers.

5 Q And they are double-drop trailers?

6 A Yes.

7 Q We will get back to that subject in a little bit.

8 Are there any changes on page seven of the equipment list?
9 That's the page beginning with Unit 703.

10 A Yes. That is incomplete. There has been the
11 addition of two 1984 Talbert Transport Systems of 75 ton
12 capacity.

13 Q Any deletions from page seven?

14 A No.

15 Q And the last page, page eight?

16 A That's complete.

17 Q All right.

18 Starting a little bit backwards, what is the first
19 listed unit on page eight, FL-1?

20 A Ljungbytruck. It's a Swedish forklift. "FL"
21 designates forklifts.

22 Q So all of the equipment on page eight are forklifts?

23 A Yes.

24 Q How are they used, if they are used, in heavy
25 hauling service?

1 A In the process of either loading and/or unloading
2 transport equipment and on various rigging jobs as required.

3 Q The third column from the left is headed "Capacity"
4 with everything from 52,000, the number 52,000, down to the
5 number 3,000 under that column. What do those numbers stand
6 for?

7 A That's the rated capacity of the designated
8 forklift.

9 Q That is how much they will lift?

10 A Yes.

11 Q Sir, let's go back to the first page of Appendix
12 3. Again, that's the equipment list. Let's skip over that
13 page.

14 Now, sir, go to the second page if you will and
15 indicate for the record whether all of the tractors shown on
16 that page are suitable for use in heavy hauling service?

17 A They are.

18 Q Is that the purpose for which they were purchased?

19 A Yes.

20 Q And all of the equipment is fairly recent except
21 the last listed piece on that page, Unit Number 100. That's
22 a 1972 tractor. What is that used for?

23 A That is a special tractor that has been refurbished
24 and rebuilt entirely with power, powertrain, rears. It's
25 used for extremely heavy haul applications in excess of 250

1 ton. It has road and off-road application.

2 Q Are any of the tractors listed on page two, aside
3 from that Auto Car tractor, specially built in any way other
4 than being simply a single or tandem axle normal road tractor?

5 A Yes. Five of the tractors have special rears and
6 transmission systems and are four-axle units.

7 Q And "four-axle" in your terminology would include
8 the steering axle?

9 A That's correct.

10 Q Let's go to the next page, sir, and indicate for
11 the record that's the one headed Unit 105, page three of
12 Appendix 3. Are any of those trailers listed there specially
13 built in any way for heavy hauling service?

14 A Several are heavy-duty capacity, which would be
15 beyond 35 ton, what is referred to as regular fleet operations.

16 Q Which is regular fleet operations in your termin-
17 ology? less than 35 tons?

18 A Up to 35 tons.

19 Q So that in the body of your testimony where you
20 talk about super-heavy hauling and conventional operations,
21 you would define that break point at somewhere in the
22 vicinity of 35 tons?

23 A Between 35 and 45 ton.

24 Q And the lighter loads would fall into the
25 conventional category, at least in your company's terminology?

1 A. Yes.

2 Q. And the heavier loads into the super-heavy or
3 special category?

4 A. Yes.

5 Q. Take a look at the next page, if you would, sir,
6 page four, starting with unit number 301. What kind of
7 equipment is that, sir?

8 A. That's a dolly system.

9 Q. Now, you'll have to explain that to me and
10 probably for the record. I don't know what a dolly system is.

11 A. Okay. It's an independent system that becomes
12 an integral part of a transport configuration. When totally
13 assembled it allows for greater flexibility either raising
14 or lowering the equipment and possibly the steering of that
15 equipment.

16 Q. So that if you have a 60 ton transformer, for
17 example, to move over the road, will it be necessary in
18 addition to using other trailer equipment to use some of the
19 dolly equipment?

20 A. It may be.

21 Q. Does that link trailers together or link tractor
22 and trailer? Just what does it do? I'm still not clear.

23 A. The majority of times it would be at the rear of
24 the transport system or potentially under the load at some
25 designated stress point.

1 Q So these things can be slid under a trailer to
2 support the extra weight?

3 A Yes.

4 Q At some given point?

5 A Yes.

6 Q And when you refer to "transport system" just so
7 that this record is clear are you really referring to a
8 combination of vehicles necessary to move a given load?

9 A I am.

10 Q Go to the next page, sir, page five. What is
11 listed on that page?

12 A That series continues level deck lowboy equipment
13 and drop-frame equipment as it is sometimes known. It
14 includes some extendables or stretch equipment and tri-axle
15 configurations.

16 Q And this is all trailer-type equipment? This
17 is not power equipment?

18 A This is trailers.

19 Q Now, on the next page, page six, you earlier
20 testified that that included some double-drop equipment.

21 A Yes, sir.

22 Q And you just referred to drop-frame equipment.

23 A Yes.

24 Q Just briefly describe what those two things are
25 and what the distinction is between drop-frame and double-

1 drop.

2 A. Generally it's accepted in the industry a level
3 deck drop-frame trailer has a loading platform not lower than
4 39 inches, 36 inches. A double-drop trailer would be that
5 trailer which is lower than 39 inches or 36 inches for its
6 loading platform.

7 Q. On both varieties, double-drop and drop-frame, is
8 the deck of the trailer normally lower, the loading deck of
9 the trailer normally lower than the rear wheels, the top of
10 the rear wheels of the tractor?

11 A. It is.

12 Q. And what use is made of the drop-frame and double-
13 drop? Why have it dropped?

14 A. It's the generally accepted means to transport
15 any equipment which would have a loading height or a transport
16 height in excess of nine feet.

17 Q. Why?

18 A. Simply to keep the freight legal, not to exceed
19 13 feet-6 over the road.

20 Q. So that the top of the lading, the top of the
21 cargo, is lowered as well by using a drop-frame trailer?

22 A. That's correct.

23 Q. Now, sir, on page seven of Appendix 3 to Exhibit
24 1 there are a number of -- there appear to be a number of
25 unusual pieces of equipment. Could you describe a few of

1 those as you go down the page?

2 A. Unit Number 603, which is a Tusco Unit, the
3 manufacturer, it's a 75 ton detachable gooseneck, interchange-
4 able decks, interchangeable rear bridge suspension systems.

5 Q. Why would you have an interchangeable deck?
6 Again, are we talking about a deck that's lower to the ground
7 as you previously described?

8 A. This particular deck would be 24 inches.

9 Q. All right. Why would you have an interchangeable
10 deck?

11 A. The rated capacity of such decks.

12 Q. That is, you change the deck to match the size
13 and weight of the lading?

14 A. That's correct.

15 Q. Go ahead down the page, if you would, please.

16 A. Unit Number 805 or 806, that's a specially
17 designed 50 ton four-axle stretch lowboy, level deck lowboy,
18 which will accommodate extremely long loadings of extreme
19 weight.

20 Q. All right, sir. A little bit further down you
21 have as Unit Number 801 a Cometto Rail Car Transporter. Is
22 that the unit that is pictured in one of the photographs that
23 is part of Appendix 2?

24 A. It is, pictures seven and eight. It's a very
25 specially designed trailer. It was built overseas. It's the

1 only type of its kind as far as I know in the United States.
2 with that type of specifications.

3 Q. What does it do that's so special, sir?

4 A. It allows for the movement of an operable rail
5 car vehicle over the road and to accommodate loading and
6 unloading applications with no additional equipment required.

7 Q. No additional equipment required? No crane, no
8 forklifts, nothing?

9 A. None.

10 Q. How does it get a rail car off the tracks or
11 back on the tracks, or does it?

12 A. There's a winching system and a hydraulic system
13 involved with ramps, and with the specially trained crew that
14 works with this trailer the load and/or unload can be
15 effected within a reasonable amount of time.

16 Q. Have you put that trailer to use with any
17 frequency?

18 A. It has been used well over 100 times in the last
19 year, year-and-a-half.

20 Q. Generally in what area?

21 A. Right now there's a lot of activity in rail car
22 refurbishing by many of the major transit authorities and
23 we have been fortunate enough to be awarded some of this work,
24 which allows us to move these vehicles to accommodate loading
25 and unloading to perform the contract.

1 Q Have you used it within Pennsylvania at all?

2 A No.

3 Q Where have you used it?

4 A I'm sorry. If I may stand corrected, we did
5 originate transactions in Pennsylvania.

6 Q Where?

7 A In Philadelphia.-- or I'm not really sure if that's
8 considered Philadelphia: Lester, Essington, that suburban
9 area.

10 Q Who was the customer there, sir? Boeing?

11 A The facility that we loaded was Boeing.

12 Q And that was a rail car, a mass transit rail car?

13 A That picture that you see illustrates the vehicle.

14 Q How about on down the page? What else is there
15 that you would care to describe that is of some unusual
16 nature?

17 A The Cometto, which is designated as 802 and A, B
18 and C. That is a transport system of various size or various
19 shaped materials that allow us to put together loading
20 configurations based upon the client's needs.

21 Q Now, sir, is that one depicted in any of the
22 photographs or in the magazine article that makes up Appendix
23 2?

24 A Some specifications are illustrated on page number
25 one.

1 Q. That's the second page of Appendix 2, showing
2 a trailer down at the bottom of the page?

3 A. Yes.

4 Q. And if I understand your supplemental testimony,
5 you've added two of the Talbert units such as are shown at
6 Unit Number 601?

7 A. The two units which are additions to this list
8 are not similar to Unit 604.

9 Q. 604? There's two of them there. I beg your
10 pardon.

11 A. Well, referring to 603 or 604 configuration.
12 They've been very specially designed.

13 Q. What are they intended to do, the two new ones?

14 A. They will allow us to take a loading up through
15 75 to 80 tons in a legal configuration throughout the mid-
16 Atlantic and New England territory and provide a total
17 transport application for a customer.

18 Q. When you say "a legal configuration" what does
19 that refer to?

20 A. Meeting all state, federal and local jurisdictions
21 by permit, axle weights, bridge laws.

22 Q. Now, sir, on this page, despite the fact that
23 most of them seem to be listed on page eight, there are
24 several forklifts, at least if the unit number "FL" means
25 forklift. Why are they listed on this page and not the

1 other, if there is any particular reason for that?

2 A. That was just a mistake.

3 Q. And the Kalmar forklift and is listed second from
4 the bottom on page seven of the equipment list, that's
5 capable of lifting 100,000 pounds?

6 A. Yes.

7 Q. Turn, if you would, sir, to Appendix Number 5,
8 which is the statement of operations or profit and loss state-
9 ment. If you go into the first category of expenses, that is,
10 direct expenses, there is an item headed "Sub-Contractors"
11 expense of, rounded, \$900,000. And below that there is an
12 expense of about \$180,000 for equipment rental. Have you had
13 occasion to question the categorization of the \$899,427 item?

14 A. I have.

15 Q. Who did you speak to in that connection?

16 A. Mr. George Gillmore.

17 Q. And who is Mr. George Gillmore?

18 A. He's an accountant.

19 Q. Is he one of the Gillmores in Gillmore & Gillmore?

20 A. He is.

21 Q. So he's the man who prepared the statement?

22 A. Yes.

23 Q. And did Mr. Gillmore describe to you what was
24 included in that \$899,000?

25 A. He did.

1 Q. Based on his description could you for the record
2 indicate what in your view is a more accurate description of
3 that item, that line item?

4 A. It could be classified in one of two ways, two
5 terminologies: either equipment rental or lease charges for
6 equipment.

7 Q. What did that money go for? What was it paid out
8 to obtain?

9 A. It was paid out for the use of equipment operating
10 in the fleet.

11 Q. The equipment that is listed on Appendix 3, is
12 that owned by an affiliated leasing company?

13 A. It is.

14 Q. Does James F. Lomma own all or substantially all
15 of the capital stock of this Applicant, J. F. Lomma, Inc.?

16 A. He does.

17 Q. And does Mr. Lomma own all or essentially all of
18 the capital stock of J.F.L. Leasing Company?

19 A. He does.

20 Q. And that was \$899,000 and some odd dollars paid
21 to J.F.L. Leasing Company for the use of the equipment shown
22 in Appendix 3 to your Exhibit 1?

23 A. It was.

24 Q. How about the other \$180,000? Who was that paid
25 to? That is the amount shown at the item "Equipment Rental."

1 A. That is also charges to J.F.L. Leasing, Inc.

2 Q. Did Mr. Gillmore have any explanation as to why
3 he split those two amounts and/or why he headed the \$899,000
4 amount "Sub-Contractors"?

5 A. He did not.

6 MR. PATTERSON: That's all I have and I tender the
7 witness for cross-examination. I move, subject to cross-
8 examination, Exhibit 1 and its appendices.

9 JUDGE KLOVEKORN: Mr. Chesnutt:

10 CROSS-EXAMINATION

11 BY MR. CHESNUTT:

12 Q. First of all, Mr. Monaco, could you indicate
13 whether you have, directing your attention to page three of
14 Exhibit 1 which Mr. Patterson talked to you about, with
15 respect to those origins and destinations do you have any
16 documents or freight bills or the type of documentation that
17 your company ordinarily keeps that would reflect the service
18 that has been provided into and out of these points in 1984?

19 A. I do have the documentation. It's not with me.

20 Q. Not with you? Okay.

21 And would it be also accurate, directing your atten-
22 tion to page nine of Exhibit 1, that you have no documentation
23 with you which would reflect the service provided over any
24 period of time by J. F. Lomma, Inc. to the companies mentioned
25 at page nine?

1 A: That's correct.

2 Q: Would you assist my understanding of Appendix
3 3 to your Exhibit 1, the third sheet of that document which
4 lists units numbered between 105 and 173. Do you have that
5 before you?

6 A: Yes, I do.

7 Q: My notes of your direct examination by Mr.
8 Patterson indicate that some of these units have been rein-
9 forced or have been otherwise strengthened or modified out
10 of the traditional flatbed trailer category. Am I accurate
11 in understanding that?

12 A: That's correct.

13 Q: All right. Would you indicate, first of all,
14 which units listed on this page are other than ordinary
15 flatbed trailers?

16 A: Specifically, it's that category rated Transcraft,
17 model year 1983.

18 Q: All right. Those are units beginning with --

19 A: With 127.

20 Q: And ending with 133?

21 A: Yes.

22 Q: And how do they differ in any fashion from what
23 might be called an ordinary flatbed trailer?

24 A: The trailer capability of capacity is 50 ton
25 for only 12 feet of loading platform.

1 Q Fifty ton per 12 feet of loading platform?

2 A Yes, sir.

3 Q What is the overall length of these trailers?

4 A Thirty-five feet.

5 Q The remaining units on this page, are there any
6 of them longer than 45 feet?

7 A No.

8 Q Are there any of them shorter than 40 feet?

9 A No.

10 Q The Transcraft units that you just described for
11 us, model year 1983, were they modified by you, your company,
12 or where they modified by the manufacturer?

13 A Spec from the factory.

14 Q What would be the going price, to the best of
15 your knowledge -- let me ask this: does Transcraft make a
16 standard 45 foot flatbed trailer?

17 A They do.

18 Q What would be the going price for a standard 45
19 flatbed trailer, model year 1983, from Transcraft?

20 A Somewhere between \$10,000 and \$12,000.

21 Q And what was the price per unit of the units that
22 you were describing with the 50 ton capacity per 12 feet of
23 platform?

24 A There's a premium of somewhere between 18 to
25 23, 24 percent.

1 Q If your company were awarded the authority it
2 seeks here would you furnish to shippers in Pennsylvania the
3 Transcraft units you just described to perform service within
4 Pennsylvania?

5 A I would.

6 Q Would you furnish any other of the units shown
7 on this page that lists units between 105 and 173 to shippers
8 for transportation within Pennsylvania?

9 A I would.

10 Q Are there any units on here you would not furnish
11 to a Pennsylvania shipper for transportation within Pennsyl-
12 vania?

13 A No.

14 Q Would your answers be the same with respect to
15 the remaining trailer units listed on succeeding pages of
16 Appendix 3? That is, would you furnish them to shippers for
17 performance of intrastate transportation in Pennsylvania?

18 A We would, sir.

19 Q Looking at the next page, with units listed from
20 301 to 324, my notes may be incomplete again but are all of
21 these what you had described as dollys, all of these units,
22 or simply the first one?

23 A Just the first one, sir.

24 Q The 301 unit?

25 A Yes.

1 Q Would you indicate for the record what type of
2 trailers, by length, by configuration or however you wish to
3 describe it, the remaining units are on that page?

4 A Okay. If I may extend beyond that page, designating
5 Unit 302 to 324, but continue down through page number five,
6 through 341-S --

7 Q Fine.

8 A -- We refer to them as a level deck lowboy that
9 has a loading platform from 33 inches to 37 inches from the
10 grounds.

11 Q That's 33 to 37?

12 A Thirty-three to 37 inches. The lengths would
13 vary from 40 feet, 42 feet, 44 feet in length. The majority
14 of the trailers have a ten foot upper deck.

15 Q You mean a deck that is --

16 A Over the fifth wheel of the tractor.

17 Q And that deck is how long?

18 A Ten feet.

19 Q And then it drops down and its level from there on
20 back to over the rear axles?

21 A That's correct. And they may be in permanent
22 configuration or they have extendable and/or stretch capabil-
23 ities whereby we may extend the loading platform of that
24 trailer to accommodate a loading requirement.

25 Q Is there any way, looking at these serial numbers

1 or the models, that we can determine which are the extendable
2 trailers?

3 A. Not, unfortunately, by looking at the designations
4 from this list, sir.

5 Q. Is it easier for you to indicate those that are
6 extendable or those that are not?

7 A. The unit 331, 332, 333, 339, 340 -- I'm just
8 relating to serial numbers. I'm going that way.

9 (Pause.)

10 A. I'm trying to look for the designation of the
11 one super-stretch.

12 (Pause.)

13 A. Getting an exact count, I would have to go back
14 and pull the equipment specification.

15 Q. Well, can you give us some idea? You mentioned
16 three that you seem certain about.

17 A. Three and then three additional: six. There
18 should be at least four more.

19 Q. So out of the two pages ten of them -- at least
20 ten of them -- are of that nature?

21 A. Yes, sir.

22 Q. Moving ahead to the units that are numbered
23 between 501 and 515, you described those as double-drops.
24 Do I understand from that that the difference between those
25 and the level deck lowboy is essentially the height of the

1 platform above the road surface, the loading platform?

2 A. That is certainly one of the major differences.

3 Q. You indicated a significant change in your
4 employment picture, the number of employees the company had,
5 beginning in mid-November. Was there a corresponding increase
6 in revenues at that time, beginning at about that time?

7 A. There was an increase in revenue, yes.

8 Q. Does the accounts receivable item which appears
9 on Appendix 4 represent receivables exclusively from customers
10 of your company?

11 A. Yes.

12 Q. And would you agree with me that the amount of
13 those receivables, at \$949,788, represents approximately four
14 months of revenues by your company, on the basis that you
15 do \$2.8 million a year?

16 A. That would be a close estimate, yes, sir.

17 Q. Would you indicate for the Judge and the record
18 what you consider to be the special handling services that
19 your company would provide if this application were granted?

20 A. We would interpret special handling as that which
21 would be beyond requirements of a standard platform trailer
22 in over the road transportation and that which is beyond
23 standard loading by forklift or crane, or in the unloading
24 area by forklift or crane. If it would go beyond that general
25 area we consider it special handling.

1 Q Is there special handling that you would perform
2 that would not involve rigging?

3 A There is at times.

4 Q Would you give us an example of special handling
5 that would not involve rigging?

6 A If due to the contractual obligation of our firm
7 to provide transport only and prior loading and/or unloading
8 is being taken care of additional contractors.

9 Q Are you saying that the fact that the rigging
10 service or the loading or unloading services were performed
11 by an organization other than yourself --

12 A That's correct.

13 Q -- Then the over the road transportation which
14 your company provides would then be considered handled under
15 special handling conditions? Is that what you're saying?

16 A Depending on what the load is, yes.

17 Q You've indicated on several occasions being
18 awarded certain types of work, like the rail transportation.
19 Do you recall that, the rail car transportation?

20 A I do.

21 Q Would you explain the bidding process by which
22 you were awarded such contracts?

23 A What do you mean by "bidding process"?

24 Q Well, the word "awarded" to me indicates that
25 there is some decision made to utilize your services. I

1 wanted to know what commercial transactions occur between
2 you and your customers to bring this about.

3 A. Okay. Specifically, we will solicit, demonstrate
4 the competence and abilities to do the job, establish
5 credibilities to all parties, establish a price, a compensatory
6 price, and hopefully we will be awarded that particular project.

7 Q. And I take it that that is how you would intend to
8 conduct business in Pennsylvania if this application is
9 granted?

10 A. Yes.

11 MR. CHESNUTT: Those are all the questions I have.
12 Thank you, sir.

13 JUDGE KLOVEKORN: Thank you, Mr. Chesnutt.

14 Mr. Kahn?

15 MR. KAHN: Thank you, Your Honor.

16 CROSS-EXAMINATION

17 BY MR. KAHN:

18 Q. At page three of your equipment list, Mr.
19 Monaco, what are the units which have been designated in the
20 model column as "FS"?

21 A. I'm sorry, Mr. Kahn. Page three?

22 Q. Page three of the equipment list. I'm referring
23 to unit numbers 110, I think it is, and 117 and 122 --

24 A. Flat stretch, extendable.

25 Q. In your operations under your ICC authority have

1 you done any transportation which does not involve size and
2 weight commodities?

3 A. No.

4 Q. I think I remember from your statement that your
5 ICC authority is general commodity authority.

6 A. It is.

7 Q. But you confine yourself to size and weight
8 transportation?

9 A. As of this time.

10 Q. I understood you to say in response to Mr.
11 Chesnutt's questions that the item in your income statement
12 shown as an item of \$899,000 was to the leasing company for
13 the use of equipment?

14 A. Yes, Mr. Kahn.

15 Q. Do you know any reason why the accountant --
16 I assume the accountant made this out?

17 A. He did.

18 Q. Why he used the term "Sub-Contractors"?

19 A. I do not know, Mr. Kahn.

20 Q. And is all of the equipment shown on your eight
21 page equipment list titled in the leasing company?

22 A. It is.

23 Q. Looking at the list of power equipment, which I
24 think is page two, you describe five tractors which are
25 what I would call special heavy hauling tractors, is that right?

1 A. Yes, sir.

2 Q. They have special rears and power of that type.
3 My question is are all of the other tractors what you would
4 call conventional highway tractors?

5 A. They are certainly highway tractors. Whether they
6 would be classified conventional is a matter of question.

7 Q. Well, are the others single axle or tandem axle or
8 both?

9 A. They would be all tandem axle rears.

10 Q. Are they the type of tractors which a general
11 freight hauler would use, other than the special five?

12 A. For the most part, yes.

13 Q. Now, I think I understood from your testimony
14 that you provide rigging service in connection with your
15 heavy haul moves?

16 A. We may.

17 Q. And on some of the moves, I also understood,
18 rigging services are provided by other contractors?

19 A. They may.

20 Q. And I assume on some moves the rigging services
21 would be provided by the shippers and consignees?

22 A. Yes.

23 Q. If this application were granted would it be
24 your intention -- you can answer this on the basis of your
25 experience in the interstate commerce operations -- would it

1 be your intention to provide transportation on regular
2 conventional flatbed trailers where you provide the rigging
3 services?

4 A. Yes.

5 Q. What type of equipment do your people use in
6 providing the rigging service?

7 A. Any material handling equipment required to
8 perform in a competent fashion the job, which would include
9 forklifts, winches, gantry cranes, hydraulic cranes, crawler
10 cranes, jacking systems.

11 Q. Does your company or does its affiliate own any
12 cranes?

13 A. We own one crane.

14 Q. Is that on any of these lists?

15 A. No, it's not.

16 Q. Now, have you in your interstate operations
17 provided transportation of what the ICC calls size and weight
18 commodities on conventional flat trailers where you did not
19 provide a rigging service, where your company didn't provide
20 the rigging service?

21 A. We do.

22 Q. And if this application were granted would it be
23 your intention to provide any transportation within Pennsyl-
24 vania on conventional flat trailers where you did not provide
25 the rigging service?

1 A. If requested.

2 Q. I'm looking for the appendix to your statement
3 where you list the Pennsylvania origins and destinations
4 you've served.

5 MR. PATTERSON: It's in the body, page three.

6 BY MR. KAHN:

7 Q. Have you made any moves between two points in
8 Pennsylvania in the past, where both the origin and destination
9 are in Pennsylvania?

10 A. We have not.

11 Q. So all of these points were served in interstate
12 service?

13 A. Yes, they were.

14 Q. Does your company either own or lease any
15 Pennsylvania facilities at the present time? I mean facilities
16 in the sense of terminals.

17 A. Today, no; within 20 days, yes.

18 Q. Have you made any definite arrangements to
19 acquire a facility?

20 A. We are now in process of that.

21 Q. When you say 20 days, I assume something definite
22 has been worked out?

23 A. Yes, sir.

24 Q. Is that facility to be leased or purchased?

25 A. To be leased.

1 Q. Where will that be?

2 A. Pittsburgh.

3 Q. Can you tell me -- and I've received some informa-
4 tion from your Counsel -- but can you tell me or can your
5 Counsel tell me the total number of public witnesses you
6 intend to call?

7 MR. PATTERSON: You mean at this set of hearings or
8 at all of the hearings?

9 MR. KAHN: For all of them.

10 MR. PATTERSON: We don't really have a judgement as
11 to all of the hearings yet. They will be more than we have
12 told you about today and tomorrow. Who they will be or
13 how many they will be is largely a function of seeing where
14 we are after this proceeding -- after these two days.

15 I hope that clears it up.

16 MR. KAHN: I think that's all I have.

17 JUDGE KLOVEKORN: Thank you.

18 REDIRECT EXAMINATION

19 BY MR. PATTERSON:

20 Q. Mr. Lomma, if and when this Commission decides
21 to grant you operating authority do you intend to seek legal
22 advice with respect to the appropriate Pennsylvania definition
23 of heavy hauling and the use of various types of equipment
24 which may or may not fit within that description?

25 A. We would.

1 Q And do you intend, having gotten that legal
2 advice. at that point in the future, to abide by it?

3 A. We certainly would.

4 Q Now, sir, you hold authority from the Interstate
5 Commerce Commission?

6 A. We do.

7 Q Do you have a tariff on file with that Commission?

8 A. We do.

9 Q And whether or not a job is a bidder job, that is
10 one in which you have to bid for the rigging service and/or
11 the hauling service do you abide by the terms of that tariff?

12 A. We do.

13 MR. PATTERSON: That's all I have.

14 MR. KAHN: Nothing further.

15 JUDGE KLOVEKORN: If there's nothing further of the
16 witness, the witness is excused. Thank you very much, Mr.
17 Monaco.

18 (Witness excused.)

19 MR. PATTERSON: May we go off the record, Your Honor?

20 JUDGE KLOVEKORN: Off the record.

21 (Discussion off the record.)

22 JUDGE KLOVEKORN: Let's go back on the record.

23 MR. PATTERSON: Your Honor, I've handed out to the
24 parties, to yourself and to the reporter a document headed
25 "Amendment to Application" which we referred to at the onset

1 of the hearing today. It's probably appropriate to mark that
2 amendment as an exhibit in this proceeding, and I would ask
3 that it be marked as Applicant's Exhibit 2.

4 JUDGE KLOVEKORN: Without objection it will be so
5 identified.

6 (Whereupon, the document was
7 marked as Applicant's Exhibit
8 No. 2 for identification.)

8 Whereupon,

9 ANGELO M. MONACO (Recalled)

10 having previously been duly sworn, testified further as
11 follows.

12 DIRECT EXAMINATION

13 BY MR. PATTERSON:

14 Q Mr. Monaco, I've placed in front of you what has
15 been marked as Applicant's Exhibit 2, which is headed,
16 "Amendment to Applicant." Are you fully conversant with the
17 meaning and intent of that amendment?

18 A I am.

19 Q Do you understand that the amendment permits you
20 to provide service for the companies listed in la, b and c,
21 but only with respect to shipments weighing 35 tons or more?

22 A I do.

23 Q And do you understand that Part 2 of the
24 restrictive amendment restricts you against the provision of
25 service on the named commodities in that western territory

1 mentioned in Part 2 of the amendment?

2 A. I do.

3 Q. And that otherwise this application stands as
4 filed?

5 A. Yes.

6 MR. PATTERSON: Thank you very much.

7 MR. KAHN: Off the record.

8 (Discussion off the record.)

9 (Witness excused.)

10 (Whereupon, at 11:30 a.m., the hearing was adjourned,
11 to be reconvened at 1:00 p.m., this same day.)

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AFTERNOON SESSION

(1:00 p.m.)

JUDGE KLOVEKORN: Let's go back on the record.

Mr. Patterson.

MR. PATTERSON: I call Mr. Kuhn, Your Honor.

Whereupon,

JOSEPH H. KUHN

having been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. PATTERSON:

Q. Mr. Kuhn, would you please state your full name and spell the last one, if you would, and your business address for the record?

A. My name is Joseph H. Kuhn, K-U-H-N. I work at Metropolitan Edison Company, at 2800 Pottsville Pike in Reading, Pennsylvania.

Q. And what is your position with Metropolitan Edison Company?

A. I'm the traffic administrator.

Q. What are your duties and responsibilities as traffic administrator, with particular reference to heavy hauling service?

A. Well, I'm responsible for the routing of such items to and from Metropolitan Edison's area of customer service.

1 Q Can you describe for the record in general terms
2 just what is Metropolitan Edison's area of service?

3 A Yes. It's approximately, I would say, about
4 20 miles west of Gettysburg, Pa. and about a 45 degree line
5 from there to Stroudsburg, Pennsylvania with the exception of
6 a small corridor in the Allentown area which is PP&L --
7 Pennsylvania Power & Light Company's -- territory.

8 Q Does Metropolitan Edison Company have occasion
9 to use heavy hauling service, that is, to use trucking
10 companies who transport heavy and bulky articles from or to
11 points in that service territory that you've just described?

12 A Yes, we do.

13 Q What kind of items are transported for Metro-
14 politan Edison Company that fit into the heavy hauling
15 category?

16 A Basically, large transformers.

17 Q What is their range of size?

18 A About 8,000 pounds to 200 tons.

19 Q And I take it that the larger of those are the
20 ones that fit into the heavy hauling category?

21 A Yes, sir.

22 Q Approximately how many times per year does Metro-
23 politan Edison Company require heavy hauling service in that
24 territory?

25 A Probably -- not in this heaviest weight but in

1 moving of transformers in this range -- probably ten or 15
2 times a year.

3 Q And by this range are we talking about the heavy
4 hauling range or are we talking also about the 8,000 pound
5 range?

6 A It could be anywhere from the 8,000 to the
7 200 ton.

8 Q All right. Now, sir, what events trigger the
9 need to move the transformer?

10 A Of course, emergency type would be in a complete
11 failure of a transformer; it would be general maintenance;
12 or perhaps they have reached the end of their service period,
13 a transformer, and they do not wish to take a chance on
14 extending that and they will take them out of service.

15 Q Now, sir, when you say maintenance, why does
16 maintenance require that the transformer be moved?

17 A Well, there are certain things which have to be
18 done to these transformers, which I'm not technically able to
19 answer at this time, but they have to be done to transformers
20 on occasion. I do not know all the technical reasons behind
21 it. I only get into it when they call me and they say they
22 have to move it. They do not tell me why.

23 Q They don't do the maintenance on site?

24 A No.

25 Q This type of maintenance?

1 A. No. It's generally very large work and it has to
2 be taken off site, correct.

3 Q. Where in that territory that you've mentioned does
4 Metropolitan Edison have its major facilities?

5 A. The main headquarters is Reading, Pennsylvania.
6 The divisions are in York, Lebanon and Easton, with generating
7 stations in Portland, Pennsylvania and Reading, Pennsylvania.

8 Q. In addition to those major locations does Metro-
9 politan Edison Company have transformers stationed on sites
10 elsewhere in the service territory?

11 A. Yes. They are interspersed in that entire
12 territory and in probably hundreds of substations there are
13 transformers that you would see along the road.

14 Q. Now, sir, in terms of movement of transformers
15 for maintenance purposes where within the state of Pennsylvania
16 are the transformers moved for maintenance?

17 A. They could be moved to Philadelphia, as an example.

18 Q. Who is the maintenance company there or the
19 company that--

20 A. Westinghouse and General Electric I can think of
21 off-hand.

22 Q. All right, sir.

23 A. And I think there are some repair shops in the
24 Pittsburgh area and in Cannonsburg, I believe there's one
25 in the area out there. McGraw-Edison, I believe is out

1 there:

2 Q And has Metropolitan Edison had occasion to
3 move transformers from its service territory, from the site
4 of the transformer in the service territory, to maintenance
5 facilities in Pennsylvania?

6 A Yes, we have.

7 Q Can you estimate over the last two or three years
8 how often that has occurred, that is, moving them to a
9 maintenance site within the state?

10 A Two or three years?

11 Q Yes, sir.

12 A Probably 20 or 30 times, I would judge.

13 Q Now, are there also maintenance facilities outside
14 of Pennsylvania?

15 A Yes, there are.

16 Q And you understand that movement to and from those
17 maintenance sites is not subject to this application?

18 A Yes, I understand.

19 Q When the occasion arises to have to move a
20 transformer for maintenance purposes do you rig those
21 transformers, that is, move them off of their site and on to
22 a vehicle or a rail car --

23 A No.

24 Q -- With your own in-house capabilities?

25 A No, we generally do not on the heavier because

1 we don't have the equipment.

2 Q Let's define, if we can, at least within a range,
3 the term "heavier." We have been dealing with items as small
4 as 8,000 pounds and as large as hundreds of tons. Where do
5 you draw the line between light and heavy?

6 A I would say, personally, it would be somewhere
7 around 50 tons.

8 Q Now, when you have occasion to move a transformer
9 of 50 tons or more do you call upon the carrier who is chosen
10 for the job to also move it off of its stanchion and onto
11 the vehicle?

12 A Yes, they do the whole job.

13 Q And the same would be true at the other end of the
14 job?

15 A Yes, of course.

16 Q Now, when you move a transformer for maintenance
17 I take it that after it has been repaired or refurbished
18 that it comes back as well?

19 A Yes.

20 Q And the carrier on that return haul is also
21 called upon to lift the transformer off of the vehicle?

22 A That's correct.

23 Q Are most of the heavy moves, that is, the move-
24 ments of transformers of 50 tons or more, done entirely by
25 road or are most of them in conjunction with rail movement?

1 A. We have had some that have gone also with rail.
2 We have also had the same people put them on the rail cars
3 to go as well as moved them -- we have had dual moves. We
4 have some put on a rail car and then they take the one that
5 has to be repaired off the site and then take it to the
6 repair site to be worked on.

7 Q. All right, sir. On maintenance moves like that,
8 that is, occasions when you move transformers for maintenance
9 purposes, do you normally have some advanced notice that
10 it's going to be -- that that transportation is going to take
11 place?

12 A. I'd say in the majority, yes, there is some
13 notification.

14 Q. Are there times in your business when you move
15 transformers from place to place within your service territory?

16 A. Yes.

17 Q. What occasions would start a move like that?

18 A. Well, if we are suspecting that a transformer is
19 going to go we have additional spare transformers interspersed
20 throughout our territory and we would move them to replace
21 that transformer that is in doubt.

22 Q. Now, the first trigger that you mentioned, that
23 is the thing which starts the need for heavy hauling service,
24 is in the case of either a failure or an expected failure.
25 Do you normally have much notice with respect to a need for

1 heavy hauling service in those instances?

2 A. No, when it's emergency.

3 Q. How often during the period of a year, ranging
4 back over the last three or four years, how often during the
5 period of one year is there a need to move a transformer on
6 an emergency or urgent basis?

7 A. I would say two to five times in a year that may
8 happen, to the best of my knowledge.

9 Q. And normally is that sufficient if you get that
10 done the day after or the second day after you know about
11 the imminent failure?

12 A. If I know about it that day we have to take
13 action that day.

14 Q. Why is that?

15 A. We do not want to have our customers out there
16 without electricity. We don't want any outages. We must
17 service them.

18 Q. Now, sir, have you used the services of Daily
19 Express, the heavy hauling services of Daily Express, in
20 connection with transformer movements within Pennsylvania?

21 A. Yes, I have.

22 Q. Have you used the services of Frank Hake?

23 A. Within Pennsylvania?

24 Q. Within Pennsylvania.

25 A. Not to my knowledge.

1 Q Have you used the services of David Graham Company
2 in connection with the movement of heavy hauling loads?

3 A No, not for heavy hauling.

4 Q Do you use the David Graham Company at all?

5 A Yes.

6 Q What kind of things do they handle for you?

7 A I'd say under 40,000 pounds I have used them.

8 Q How about P. Liedtka, which is another Protestant
9 in this case. Are you familiar with that carrier?

10 A I never heard of that carrier before today.

11 Q How about Moore-Flesher Hauling?

12 A I never heard of that carrier before today.

13 Q Has it been so in the past that a number of the
14 heavier movements, that is, the extra-large transformers,
15 have been moved partially by rail?

16 A Yes.

17 Q Is there a trend in that area that more are going
18 to be moved by rail for the longest part of their trip or
19 less, in your view?

20 A I would say from out of state, if that is bearing
21 on this point, they are mostly by rail coming into us, to
22 the nearest rail siding to our site.

23 Q Are you having any difficulty with finding rail-
24 road sidings near your sites?

25 A Yes. I'm afraid every year there are less.

1 Q You've testified that you've used the services of
2 Daily within Pennsylvania and you've used the services of
3 Frank Hake from points in Pennsylvania to other locations --

4 A Not Hake. Daily, yes. Hake, I know, was an
5 interstate move.

6 Q Okay. Were their services generally satisfactory?

7 A Yes.

8 Q Why, then, if they were satisfactory, are you
9 here supporting the application of J. F. Lomma, Inc.?

10 A Because I would like to have the option, especially
11 in emergency conditions, to have more than one or two carriers
12 because unfortunately the nature of the items we are moving
13 sometimes ties up their equipment and if their equipment is
14 tied up and I call them and they cannot perform I have to have
15 alternates -- more than just one or two, I would like to have
16 as many as possible -- so that we can service our customers.
17 We cannot afford to have an outage.

18 Q Have you had occasions where you have called
19 carriers for movement within the state of Pennsylvania of
20 heavy transformers and they have indicated to you that their
21 equipment is tied up?

22 A No, they just said they couldn't do it. They
23 didn't say why. They just said they wouldn't be able to do
24 it this time. If they say no I've got to go on to the next
25 one. I don't have time to hear their story. If they say no

1 that's all I have to hear. Why they can't do it, I cannot
2 answer that.

3 MR. PATTERSON: That's all I have. I tender the
4 witness for cross-examination.

5 CROSS-EXAMINATION

6 BY MR. CHESNUTT:

7 Q In the services that have been furnished to you
8 by Daily Express, Mr. Kuhn, what sort of trailer equipment
9 have they furnished to you?

10 A In particular I think I asked for an air-ride.

11 Q And do you recall the last time that Daily
12 provided service to Metropolitan Edison within Pennsylvania?

13 A I do not recall the last time, no.

14 Q Do you recall what size transformer they last
15 moved for you?

16 A That was around 36 ton as I recall -- that I
17 vividly recall, anyway.

18 Q Can you recall an instance within 1984 where a
19 Metropolitan Edison customer was deprived of electricity
20 service because of the failure of being able to move a
21 transformer?

22 A No, they were not deprived.

23 Q And would that be true for 1983 as well?

24 A To the best of my knowledge, yes.

25 Q You indicated that over a period of a year's

1 time there would be ten what I call maintenance moves of
2 transformers and that the weight of those transformers would
3 range from 8,000 pounds to 200 tons. You then indicated that
4 the 50 tons or more type of transformers were what you would
5 call the heavier?

6 A. Yes. That was just my interpretation.

7 Q. Surely. Focusing on the less than 50 tons type
8 moves, how many of the ten within a year's time would be of
9 that variety, of the less than 50 ton variety?

10 A. I would think the majority.

11 Q. Like eight?

12 A. Eight, the majority.

13 Q. So would it be fair to say that the over 50
14 ton movement is a rather specialized event?

15 A. Oh, yes.

16 Q. What carrier have you utilized -- well, have you
17 moved any maintenance -- for maintenance purposes have you
18 moved any transformers weighing in excess of 50 tons during
19 1984 so far within Pennsylvania?

20 A. Not that I recall at this moment, no.

21 Q. Looking back into 1983 can you recall any of that
22 weight that were moved?

23 A. I don't recall the weights of the transformers.

24 Q. The last time do you recall what carrier was
25 utilized within Pennsylvania, the last time you moved a

1 transformer weighing in excess of 50 tons?

2 A. Yes, Kreitz.

3 Q. That's K-R-E-I-T-Z?

4 A. I believe that's how you spell it.

5 Q. Does Kreitz hold, if you know, operating authority
6 from this Commission which is specifically directed to service
7 for Metropolitan Edison?

8 A. Yes. They have applied for our particular items.

9 Q. And they have applied for that type of authority?

10 A. No. They have gotten it a long time ago, a
11 couple of years.

12 Q. And that authorization enables Kreitz to serve
13 throughout your service territory?

14 A. I don't recall the distance that they are allowed
15 to move. It's basically in the Reading area that we use
16 them. That is where they are located. That's their head-
17 quarters.

18 Q. In addition to Kreitz are there any other carriers
19 that have been involved with the movement of the heavier
20 transformers as you have defined them within the state of
21 Pennsylvania?

22 A. Not that I can think of at the moment.

23 Q. To your knowledge are there any carriers in
24 addition to Kreitz who have obtained authorization to provide
25 service for Metropolitan Edison particularly from this

1 Commission?

2 A. Not to my knowledge.

3 Q. Focusing now on the movement of transformers
4 weighing less than 50 tons, you've indicated that Daily
5 Express, for example, moved a 36 ton transformer to the
6 best of your recollection. How many moves in 1984 so far
7 have occurred with the transformers weighing from 8,000
8 pounds to 49-1/2 tons?

9 A. Within Pennsylvania?

10 Q. Within Pennsylvania.

11 A. Three or four as I recall.

12 Q. And could you indicate for us what motor carriers
13 were involved in performing that transportation service?

14 A. Kreitz was one of them. I recall that. The other
15 ones I don't recall at the moment.

16 Q. Do either Westinghouse or GE or any of the other
17 maintenance services furnish the transportation services at
18 all?

19 A. Generally not on repairs.

20 Q. During 1984 to date can you recall the last need
21 your company had for what you termed emergency movements
22 within Pennsylvania?

23 A. I think this one that Kreitz moved recently was
24 in that category. It was short notice.

25 Q. Do I understand correctly that you have used the

1 services -- have you used the services of J. F. Lomma for
2 transportation outside of Pennsylvania?

3 A. They had one move a couple of years ago. I do
4 not recall the time. Two or three years ago, as I recall,
5 they did move one big transformer because they had this
6 special equipment for this huge 200 ton transformer.

7 Q. In your use of J. F. Lomma if this application
8 were to be favorably acted upon by the Judge and the Commission,
9 would you confine your use of the carrier for the movement of
10 those transformers weighing in excess of 50 tons?

11 A. No.

12 Q. In the movement of the transformers that weight
13 8,000 pounds how are they loaded onto the motor vehicle
14 trailer equipment which is utilized to transport them?

15 A. Usually the carrier supplies the rigging and the
16 cranes and so forth to load them, or slides them as the case
17 may be. Sometimes they don't lift them, they slide them.

18 Q. At the substation sites where the transformers are
19 located I assume there are no means that Metropolitan Edison
20 can use --

21 A. No, there is no equipment there at all because
22 they are isolated and they would be in jeopardy.

23 Q. So would it be fair to say that in all instances
24 where you use motor carrier service you either require the
25 carrier to supply the rigging with his own equipment or to

1 arrange for the supply of the rigging service?

2 A. Yes, we let them do the whole job. However they
3 arrange it is up to them.

4 Q. In the use of Lomma, you say it was three or
5 four years ago?

6 A. Some years ago, yes.

7 Q. Was that a situation of maintenance?

8 A. No, it was a new transformer.

9 Q. And it was being brought in to the Met Ed system?

10 A. That's right.

11 Q. -- From the supplier?

12 A. That's right; from out of state as I recall.

13 Q. And that supplier was the one that selected Lomma
14 for that transportation?

15 A. No. No, I selected them.

16 Q. And in making that selection could you explain
17 for us how you arrived at the price that Lomma would charge
18 you for the service to be performed?

19 A. There was a competitive bid for those who had the
20 equipment to move such a huge transformer.

21 Q. And they were the low bidder?

22 A. Yes.

23 Q. Did that result in the signing of a contract for
24 transportation services between Metropolitan Edison and
25 Lomma?

1 A. No.

2 MR. CHESNUTT: Those are all the questions I have.
3 Thank you, sir.

4 JUDGE KLOVEKORN: Thank you, Mr. Chesnutt.

5 Mr. Kahn.

6 CROSS-EXAMINATION

7 BY MR. KAHN:

8 Q. Your headquarters in Reading, is there a power
9 plant there?

10 A. There is one in the Reading area. It's not at the
11 same site as the headquarters. It's a few miles apart.

12 Q. And you mentioned facilities in York, Lebanon
13 and Easton. What are they?

14 A. They are subdivisions for transmission and
15 distribution lines. In other words, they have storehouses
16 there to be able to take care of the lines, the wires.

17 Q. Are they places where you have generators?

18 A. No. There are just two generators, Portland
19 Generating Station and Titus, which is in Reading.

20 Q. I used the wrong word. Do they have transformers?

21 A. Transformers --

22 Q. Do they have them in Reading, York and Lebanon?

23 A. Each division does not necessarily have one on
24 that site, although some do. York, I believe, has it in the
25 backyard, so to speak, the substation. Substations are

1 interspersed every so many miles apart in all directions of
2 the wires for breakdown of the power that's coming through on
3 the high tension lines.

4 Q. What I'm trying to find out is the first group of
5 places you mentioned, Reading, York, Lebanon and Easton --
6 is that it?

7 A. Yes.

8 Q. Do all of those places have transformers?

9 A. Well, they have them in the area. They are not
10 necessarily at that point.

11 Q. And then you mentioned stations or substations --
12 I'm not quite sure which -- at Portland, Pennsylvania and
13 another place?

14 A. Portland Generating Station is a power plant
15 where they create the electricity. And the Titus Station,
16 which is in Reading, which is the name of that power plant,
17 that's a generating station. They have transformers there
18 too, quite huge.

19 Q. And the other substations you referred to
20 generally, do they have heavy transformers or do they have
21 smaller transformers?

22 A. Well, it ranges --

23 Q. All different sizes?

24 A. Yes, all sizes, various sizes to do various
25 things.

1 Q Now, the smaller transformers, the 8,000 pounds
2 and in that vicinity, do they move on regular flat trailers?

3 A Yes.

4 Q Can you tell us at which level of weight would
5 you have to use a special highway trailer like a lowboy or
6 a double-drop?

7 A Sometimes the weight is not directly reflective
8 on the height of the thing. You could have one that is not
9 too heavy but be very tall. So you have to get the drop
10 decks and so forth. It could be 8,000 pounds and be 14 feet
11 tall. There are different configurations.

12 Q What's the range of heights?

13 A Maybe from five feet high and spread out, you
14 know, maybe eight, ten feet long, to four foot square and
15 15 feet high. They could be various heights.

16 Q At what height would you have to get special
17 equipment?

18 A Anything over eight feet.

19 Q Is there a particular weight where you have to
20 go to a special trailer?

21 A I think that the configuration would cause the
22 special trailer.

23 Q More than the weight?

24 A Yes, more than the weight.

25 Q And how many of your transformers, of the ten

1 transformer moves a year, would be over eight feet tall?

2 Could you estimate that?

3 A. I would think a majority of them would be.

4 Q. I thought you said -- and you correct me if I'm
5 wrong -- that on the smaller transformers you do the rigging
6 with your own people and it's just on the heavier ones that
7 you let the carrier do the rigging.

8 A. There are some very small ones that they have
9 cranes in our own possession and we can take to a site if
10 we need to move it. But all they would do is maybe take it
11 off and set it on the ground. They wouldn't transport it
12 anywhere, just strictly lift it off the base. But it would
13 not be very heavy. I think the limit is 10,000 or 15,000
14 pounds, the cranes they have. They are not very heavy duty.

15 Q. Where your cranes could handle it would you put
16 it on the trailer?

17 A. They generally don't do that because once we get
18 the carrier to do the job they take the job from beginning to
19 end, from Point A to Point B. No, our people -- they would
20 rather not do that. They have other things that they have
21 to take care of. The lines are the most important thing;
22 servicing of such movements they don't get into.

23 Q. That authority that Kreitz has to serve Metro-
24 politan Edison, I assume your company supported them for that
25 authority?

1 A. As I recall, I think that we were talking to them
2 and asking exactly what -- when I first came into the job, I
3 asked them what they covered and so forth and they said they
4 would see we were covered in transformers and poles and mobile
5 units or whatever it might be that we needed done in that
6 area around Reading.

7 Q. What I'm getting at is --

8 A. No, I did not appear for them. No.

9 Q. Did anybody from your company appear?

10 A. Not that I know of, no.

11 Q. Did they get that authority from this Commission?

12 A. To my knowledge, yes.

13 Q. That move, that heavy move, 50 tons or more that
14 Kreitz handled that you say was the last extra-heavy move,
15 was that in 1984?

16 A. We just had one recently. I think it was in that
17 category, yes.

18 Q. And did I understand you to say that you only had
19 one such move in 1984?

20 A. So far. I've got two more coming up, but that,
21 of course, doesn't count.

22 Q. And I'm not clear what you said about my client,
23 Frank W. Hake. I understood you have not used him in Pennsyl-
24 vania.

25 A. No. He brought a transformer from Jersey from

1 our sister company in an emergency, and transported it from
2 Jersey to Pennsylvania.

3 Q. And that was the only use you made of Hake?

4 A. Yes.

5 MR. KAHN: I think that's all I have.

6 MR. PATTERSON: I have nothing further.

7 JUDGE KLOVEKORN: If there is nothing further of the
8 witness, the witness is excused. Thank you very much, sir.

9 (Witness excused.)

10 MR. PATTERSON: Your Honor, that's all we have for
11 today. As I had previously indicated to you, we will have
12 six or seven witnesses for tomorrow -- at least the last I
13 heard.

14 JUDGE KLOVEKORN: Fine. If there is nothing further,
15 this hearing stands adjourned until ten o'clock tomorrow
16 morning.

17 (Whereupon, at 1:35 p.m., the hearing was adjourned,
18 to be reconvened at 10:00 a.m. on Wednesday, June 27, 1984,
19 in Philadelphia, Pennsylvania.)

C E R T I F I C A T E

1
2 I hereby certify, as the stenographic reporter,
3 that the foregoing proceedings were taken stenographically
4 by me and thereafter reduced to typewriting by me or under,
5 my direction; and that this transcript is a true and accurate
6 record to the best of my ability.

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Robert J. Stonaker