

T/APH/SR/WPSC

Decision 84 04 066

APR 18 1984

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of C & M DELIVERY, INC.)  
 for authority to increase rates )  
 in its common carrier tariff )  
 containing rates and charges for )  
 the transportation of general )  
 commodities, statewide )

and )

Application 84-01-07  
 (Filed January 4, 1984)

For authority to depart from the )  
 provisions of Sections 454, 461.5 )  
 and 491 of the Public Utilities )  
 Code in applying said requested )  
 increase. )

O P I N I O N

By this application, C & M Delivery, Inc. (C & M) requests authority to increase certain of its rates for the transportation of general commodities by 24%. The requested increase will apply only to the minimum charge, Any Quantity and 5,000-pound minimum rates as published in carrier's tariff C & M Delivery, Inc.

T-87,396 - Cal. PUC 1.

C & M's rates were last adjusted August 16, 1982, by Resolution TS-567. A 7% general increase was granted and C & M applied the 7% only to the categories mentioned in the previous paragraph plus the 10,000 pound minimum weight scale. C & M has not applied any increase to its other rate scales.

C & M cites general increases in operating costs that necessitated this request for additional revenues. The financial data submitted by C & M show it operated at a loss for year 1983. From that data the staff has prepared a comparison of C & M's financial position using the present costs being experienced compared with revenue earned in 1983, including the sought increase.

	<u>Test Year Ending December 31, 1983</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
Revenue	\$ 939,477	\$1,164,951
Expenses Revised to Reflect Current Costs	1,047,181	1,047,181
Profit (Loss)	(107,704)	117,770
Operating Ratio	112	90

Applying the 24% increase to present rates will yield additional revenues of \$225,474 as more than 95% of C & M's traffic is in the 5,000 pounds or less category.

It is C & M's intent to forego all unused previously authorized increases in rates. Therefore, the order which follows will provide for the cancellation of any unused previously authorized increases on the date of the order.

The application was listed on the Commission's Daily Transportation Calendar of January 11, 1984. No protest to the granting of the application has been received.

The proposal is not a major action significantly affecting energy efficiency within the meaning of Public Utilities (PU) Code Sections 3502.1 and 3502.2.

Findings of Fact

1. C & M by this application is seeking a 24% increase in rate scales for Any Quantity, 5,000-pound minimum, and minimum charges as published in C & M tariff, Cal. PUC 1.
2. C & M has previously applied the 7% increase authorized by Resolution TS-567 to the rate scales listed in Finding 1.
3. C & M operated at a loss for calendar year 1983.
4. Under the sought increase, C & M estimates that it will realize additional revenue of about \$225,474.
5. The increases resulting from this proposal are justified.
6. Authority to depart from the provisions of PU Code Section 461.5 is justified.
7. The following order has no reasonably foreseeable impact on the energy efficiency of highway common carriers.
8. A public hearing is not necessary.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that:

1. C & M Delivery, Inc. is authorized to increase by 24% its rate scales for Any Quantity, 5,000-pound minimum, and minimum charges as published in C & M Tariff Cal. PUC 1.

2. Tariff publications authorized to be made as a result of this order shall be filed on or after the effective date of this order and may be made effective not earlier than 5 days after the effective date of this order on not less than 5 days' notice to the Commission and to the public.

3. C & M Delivery, Inc. in establishing and maintaining the rates authorized by this order is authorized to depart from the provisions of PU Code Section 461.5 to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations are modified only to the extent necessary to comply with this order; and schedules containing the rates published under this authority shall make reference to prior orders authorizing long- and short-haul departures and to this order.

4. Increase authority granted to C & M Delivery, Inc. by Resolution TS 567 and not exercised as of the date of this order is canceled.

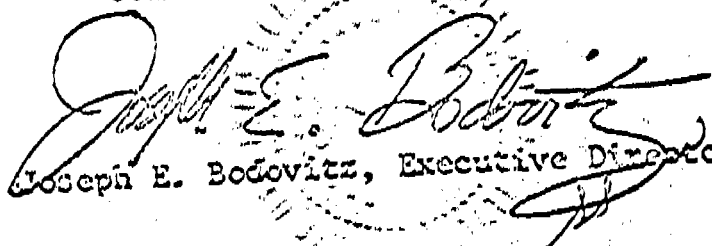
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This order becomes effective 30 days from today.

Dated APR 18 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL  
WILLIAM T. BAGLEY  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bođovitz, Executive Director