

Decision 84 07 136

JUL 18 1984

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application )  
of Industrial Freight System, )  
Inc., for authority to increase )  
rates in tariffs, of which this )  
carrier is party thereto, for )  
this carrier's participation )  
only, namely Western Motor )  
Tariff Bureau Tariff Nos. E.S. )  
1-B, 104, 113, 170, 272, 570-A )  
and Industrial Freight System )  
Tariff (including reissues )  
thereof) containing rates and )  
charges for this common carrier )  
for the transportation of com- )  
modities and the performance of )  
specified services related )  
thereto. )

Application 84-02-28  
(Filed February 14, 1984;  
Amended March 28, 1984  
and May 8, 1984)

-And-

For Authority to depart from the )  
terms of Sections 454 and 491 of )  
the Public Utilities Code when )  
accomplishing such publication. )

O P I N I O N

Industrial Freight System, Inc. (Industrial), seeks authority to increase its rates for the transportation of general commodities by 5.5%. The rates subject to the proposed increase are published by Western Motor Tariff Bureau, Inc., Agent (WMTB), in the following tariffs:

WMTB Tariff E.S. 1-B, Cal. PUC 34;  
WMTB Tariff WMT 113, Cal. PUC 19;  
WMTB Tariff WMT 118, Cal. PUC 29;  
WMTB Tariff WMT 170, Cal. PUC 51;  
WMTB Tariff WMT 172, Cal. PUC 41;  
WMTB Tariff WMT 175, Cal. PUC 103;  
WMTB Tariff WMT 271, Cal. PUC 46;  
WMTB Tariff WMT 570-A, Cal. PUC 85; and  
IDRL 20-4 Tariff, Cal. PUC 63.

Industrial cites its need for revenue increases to offset increased operating expenses, such as increased costs of diesel and gasoline fuels, increases in truck-use taxes, FICA and unemployment taxes and increases in regulated utility costs for power and telephone.

Industrial, as a participant in WMTB tariffs, has been authorized general increases totaling 21%, plus the 3.5% in the latest WMTB increase (D.84-04-80). The entire increase has not been taken on truckload traffic.

Industrial has prepared financial data for a 12-month test period ending December 31, 1983, as well as the revenue impact of its authorized but unexercised increase authority. From that data, the staff has prepared a comparison of the applicant's financial position using the present costs being experienced compared with revenue earned in year 1983 and with the projected fiscal year 1984 revenue, including the sought increase.

	<u>Test Period Ending December 31, 1984</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
	(1983)	(1984)
Revenue	\$8,762,462	\$8,762,462
Unapplied Increases		240,183
D.84-04-80 (WMTB 3.5%)		306,686
5.5% This request		<u>481,935</u>
Total Potential Revenue		\$9,791,266
Expenses Revised to		
Reflect Current Costs	9,264,551	9,264,551
Profit (Loss)	(502,089)	526,715
Operating Ratio	105.7	94.6

The application and amendments were listed on the Commission's Daily Transportation Calendars of February 22, April 2, and May 15, 1984. No objection to the granting of the application, as amended, 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. Industrial by this application, as amended, is seeking a 5.5% increase in its rates in WMTB tariffs.
2. Under the sought increase, Industrial estimates that it will realize additional revenue of about \$481,935.
3. The increases resulting from this proposal are justified.

4. Authority to depart from the provisions of PU Code Section 461.5 is justified.

5. The following order has no reasonably foreseeable impact on the energy efficiency of highway common carriers.

6. A public hearing is not necessary.

7. The effective date of this order should be today since there is no reason to delay the increase.

Conclusion of Law

1. The application, as amended, should be granted.

O R D E R

IT IS ORDERED that:

1. Industrial Freight System, Inc. is authorized to increase its rates by 5.5% in the following tariffs (including reissues thereof):

WMTB Tariff E.S. 1-B, Cal. PUC 34;  
WMTB Tariff WMT 113, Cal. PUC 19;  
WMTB Tariff WMT 118, Cal. PUC 29;  
WMTB Tariff WMT 170, Cal. PUC 51;  
WMTB Tariff WMT 172, Cal. PUC 41;  
WMTB Tariff WMT 175, Cal. PUC 103;  
WMTB Tariff WMT 271, Cal. PUC 46;  
WMTB Tariff WMT 570-A, Cal. PUC 85; and  
IDRL 20-4 Tariff, Cal. PUC 63.

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. Industrial Freight System, 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 the prior orders authorizing long- and short-haul departures and to this order.

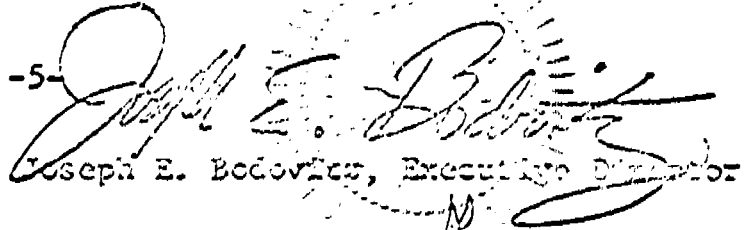
4. The application is granted as set forth above.

This order is effective today.

Dated JUL 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.

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Joseph E. Bodovick, Executive Director