

Decision 84 10 019 OCT 3 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)
of FLOUR TRANSPORT, INC., a)
California Corporation, for)
authority to adjust the rates and)
charges in Flour Transport, Inc.,)
CAL. P.U.C. No. 1, pursuant to)
Section 454 of the Public Utili-)
ties Code.)

Application 84-08-005
(Filed August 1, 1984)

O P I N I O N

By this application, Flour Transport, Inc., seeks authority to increase all rates and charges by 14% in its tariff - Flour Transport, Inc. CAL PUC-1. As justification for the proposed increase, applicant cites higher costs of taxes, union labor, and other operating expenses since its tariff was last increased by 7% in September 1, 1981 as authorized by Resolution TS 460. Currently applicant is operating at a loss with an operating ratio of 103.97.

Applicant provided financial data for a five-month period ending May 31, 1984, which sets forth the actual revenue and expenses including the results of increases granted by TS 460, as well as projected results under the proposed increase of approximately \$328,792. From that data the staff has prepared a comparison of applicant's financial position using the present

costs being experienced with revenue earned and with the projected revenue, including the sought increase.

	<u>Test Period</u>	<u>Ending May 31, 1984</u>
	<u>Present Rates</u>	<u>Proposed Rates</u>
Revenue (including impact of TS 460)	\$2,348,519	\$2,677,311
Expenses Revised to Reflect Current Costs	2,609,128	2,609,128
Profit (Loss)	(260,609)	68,183
Operating Ratio	111.1	97.4

The application was listed on the Commission's Daily Transportation Calendar of August 7, 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 the Public Utilities (PU) Code Sections 3502.1 and 3502.2.

Findings of Fact

1. Applicant's rates were last adjusted September 1, 1981. Since then it has experienced increases in taxes, union wages, and other operating expenses.

2. Applicant is seeking a 14% increase in all rates and charges in Flour Transportation, Inc., Cal. PUC-1.

3. Under the sought 14% increase, applicant estimates that it will realize additional revenue of \$328,792.

4. The increases resulting from this proposal are justified.

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

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

7. A public hearing is not necessary.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that:

1. Flour Transport, Inc., is authorized to increase by 14% all rates and charges in its tariff, Flour Transport, Inc., 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. Flour Transport, 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.

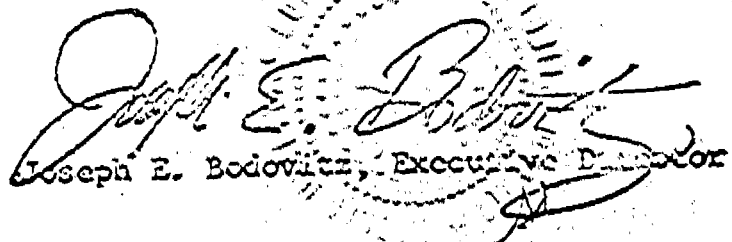
4. The application is granted as set forth above.

This order is effective today.

Dated OCT 3 1984, at San Francisco, California.

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. Bodovitz, Executive Director