

Decision 84 12 058

DEC 19 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of SHEEDY DRAYAGE CO. )  
by its consultant Marshall Bline, )  
for authority to increase various )  
rates and charges contained in )  
applicant's own tariff. )

AND )

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

Application 84-09-031  
(Filed September 12, 1984)

O P I N I O N

Sheedy Drayage Co. (Sheedy), a California corporation, requests authority to publish increases in the rates in Items 515 and 525 of its Tariff SHDC 41-A, CA PUC 3. These items contain rates which apply to travel time for carrier employees and to vehicle unit rates and charges. The proposed rates, shown in Exhibit B of the application, would result in approximately a 6% increase.

Sheedy states that about 90% of their regulated California intrastate revenue is derived from the vehicle unit rates in their Tariff 41-A. It has been more than two years since these rates have been increased, and during that period equipment and labor costs have continued to escalate. Applicant indicates the proposed increases are necessary to maintain the level of profitability that existed in 1983 and prevent a further decline.

Sheedy has supplied financial data for the year ending December 31, 1983, which sets forth actual revenue and expenses for transportation subject to rate regulation by this Commission, as well as projected results under the proposed rates. From that data, the staff has prepared a comparison of Sheedy's financial position using current costs in conjunction with revenue projected using the proposed rates:

	<u>Test Year Ending December 31, 1983</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
Revenue	\$ 1,671,971	\$ 1,772,289
Expenses Revised to Reflect Current Costs	1,660,003	1,660,003
Profit	11,968	112,286
Operating Ratio	99.3%	93.7%

The operating ratio of 93.7 percent is within the zone of reasonableness.

Sheedy advises that the proposal is not considered to be a major action significantly affecting energy efficiency within the meaning of Public Utilities (PU) Code Sections 3502.1 and 3502.2. Applicant submits that there is an immediate need for the increases and requests authority to publish the proposed rates as soon as possible.

The application was listed on the Commission's Daily Transportation Calendar of September 19, 1984. No objection to the granting of the application has been received.

Findings of Fact

1. The proposed increases in Sheedy's rates are justified.
2. Under the sought increases, applicant will realize additional revenue of approximately \$100,318 annually.
3. Authority to depart from the provisions of PU Code Section 461.5 is justified.
4. The following order has no reasonably foreseeable impact on the energy efficiency of highway common carriers.
5. A public hearing is not necessary.
6. There is an immediate need for the proposed increases and no reason to delay their publication.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that:

1. Sheedy Drayage Co. is authorized to increase the rates and charges in Items 515 and 525 of its Tariff SHDC 41-A, CA PUC 3, by approximately 6% as specifically proposed in Exhibit B of the application.

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.

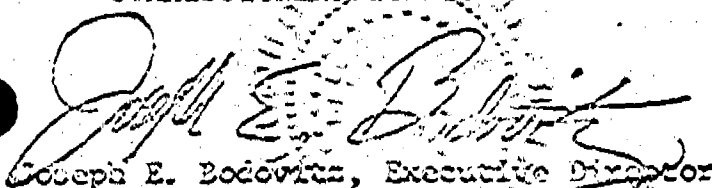
3. Sheedy Drayage Co., in establishing and maintaining the rates authorized by this order, is authorized to depart from the provisions of PU Code Section 461.5 to the extent necessary to adjust long- and short-haul departures now maintained under outstanding authorizations; such outstanding authorizations 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 DEC 19 1984, at San Francisco, California.

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

  
Joseph E. Bodovitz, Executive Director

DONALD VIAL  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
WILLIAM T. BAGLEY  
FREDERICK R. DUDA  
Commissioners