

Mailed

JUN 20 1988

T/LR/jpk

ORIGINAL

Decision 88 06-056 JUN 17 1988

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)	
Warren Trucking Co., Inc. (T-51161))	
seeking authority to publish tariff)	Application 88-04-008
provisions resulting in increases in)	(Filed April 4, 1988)
its Tariff WRRM 200-C, CA PUC 6.)	

O P I N I O N

Warren Trucking Company (Warren) seeks authority to increase all rates and charges by 5% in Tariff WRRM 200-C.

Applicant has implemented the mandatory 1.2% increase on rates not subject to minimum weights of 10,000 pounds or more and the permissive increase of 0.7% on rates subject to minimum weights of 10,000 pounds or more in Tariff WRRM 200-C, effective August 30, 1987, pursuant to Resolution TS-679.

Warren asserts that the proposed increase is necessary to offset increased operating costs due to the 1988 FICA increase and the presently known 1.021% increase in payroll expenses.

Applicant has furnished its financial data for the 12-month period ending December 31, 1987, setting forth actual revenue and expenses. By letter dated May 20, 1988, applicant supplied projected revenue resulting from the proposed rate increase and expenses reflecting recent increases. From that data, staff has prepared a comparison of Warren's financial position using current costs in conjunction with current and proposed revenues.

	<u>Test Period Ending December 31, 1988</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
Revenue	\$6,370,416	\$6,687,288
Expenses Revised to Reflect Current Costs	6,394,893	6,394,893
Profit (Loss)	(24,477)	292,395
Operating Ratio	100.4	95.6

The operating ratio of 95.6 is reasonable.

The application was listed on the Commission's Daily Transportation Calendar of April 8, 1988. No protest to the granting of the application has been received. The application was not filed under authority granted pursuant to Section 496 of the Public Utilities (PU) Code.

Findings of Fact

1. Warren is seeking a rate increase of 5%.
2. Warren has experienced an increase in operating expenses.
3. Warren has implemented the mandated 1.2% increase in rates not subject to minimum weights of 10,000 pounds or more and the permissive increase of 0.7% in rates subject to minimum weights of 10,000 pounds or more in Tariff WRRM 200-C, effective August 30, 1987.
4. The proposed rates would increase Warren's annual revenue by approximately \$316,872.
5. The increases resulting from this proposal are justified.
6. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.
2. This order should be made effective today, since there is an immediate need for rate relief.

O R D E R

IT IS ORDERED that:

1. Warren Trucking Co., Inc., is authorized to increase its rates and charges by 5% in its Tariff WRRM 200-C.
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. Warren Trucking Co., 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.

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4. This authority shall expire if not exercised within 60 days of the effective date of this order.

5. The application is granted as set forth above.

6. This order is issued pursuant to Section 308 of the Public Utilities Code and Resolution TS-678.


This order is effective today.

Dated JUN 17 1988, at San Francisco, California.


KENNETH K HENDERSON, Director
Transportation Division

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


Victor Weissert, Executive Director

Mailed

JUN 20 1988

T/LR/jpk

ORIGINAL

Decision 88 06 056 JUN 17 1988

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seeking authority to publish tariff)	Application 88-04-008
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4. The proposed rates would increase Warren's annual revenue by approximately \$316,872.
5. The increases resulting from this proposal are justified.
6. A public hearing is not necessary.

Conclusions of Law

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