

T/RLM

Decision 90 01 060 JAN 30 1990

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
WILLIG FREIGHT LINES (T-11501) for
authority to increase rates and charges
in its Tariffs Nos. 5-A, 6 and 200.

Application No. 89-12-046
(Filed December 28, 1989)

- AND -

For authority to depart from the terms
of Sections 460, 461.5 and 491 of the
Public Utilities Code when making such
publication.

O P I N I O N

WILLIG FREIGHT LINES seeks authority to increase rates and charges in its Tariffs Numbered 5-A, 6 and 200 by 8.5%.

WILLIG's last rate increase was issued pursuant to Decision 89-03-032. Although that decision authorized increases of 8% on less-than-truckload (LTL) rates and 2% on truckload (TL) rates, applicant states competitive pressures held down the amounts of increases.

WILLIG asserts that since the last increase it has experienced increases in most categories of operating cost e.g. labor, insurance, taxes and fuel.

WILLIG has furnished recorded and pro-forma financial data for the 12-month period ending September 30, 1989.

Test Period Ending September 30, 1989

	<u>Present Rates</u>	<u>Proposed Rates</u>
Revenue	\$36,123,378	\$39,193,865
Expenses	35,295,618	35,295,618
Gross Profit (Loss)	827,760	3,898,247
Operating Ratio	97.7%	90.1%

The additional gross revenues resulting from the proposed increases will be approximately \$3,070,487.

Applicant also requests that it be given authority to; (a) "round" rates which are stated in cents per 100 pounds to the nearest whole cents; (b) "round" all other rates and charges to the nearest five cents; and (c) determine the additive for shipments moving in excess of 1,200 miles by averaging the amount of increase between the four prior mileage blocks in the same rate scale. Applicant states each of these changes is intended to make the tariff more understandable and easier to use and the revenue impact is negligible.

The application was listed on the Commission's Daily Transportation Calendar of December 28, 1989. No protest to the granting of the application has been received. Applicant also requests that its application be granted by ex parte action on less than 30 days' notice.

Finding of Fact

1. WILLIG has experienced further increased operating expenses since last receiving authority to increase its intrastate rates and charges.

2. WILLIG seeks an increase of 8.5% on all rates contained in its Tariffs Numbered 5-A, 6 and 200; "round" rates to the nearest whole cent; "round" all other rates and charges to the nearest five cents; and increase the additive for shipments moving in excess of 1,200 miles.

3. The application, if granted, would increase WILLIG's intrastate revenues by \$3,070,487.

4. The increases resulting from this decision are justified.

5. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.

2. This order should be effective today because there is an immediate need for this rate relief.

3. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. WILLIG is authorized to increase its rates and charges up to 8.5%.

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. Willig, in establishing and maintaining rates authorized by this order, is authorized to depart from the provisions of Public Utilities 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 long- and short-haul departures and to this order.

4. The authority granted herein shall expire if not exercised within 60 days after 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.

This order is effective today.

Dated JAN 30 1990 San Francisco, California.

William R. Schulte
William R. Schulte, Director
Transportation Division

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

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Wesley Franklin

WESLEY FRANKLIN, Acting Executive Director