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Decision 92-01-015 January 10, 1992

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of DI SALVO TRUCKING CO. 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, 170, 20-4 DSAL and 570-A, (including reissues thereof) containing rates and charges for this Common Carrier for the transportation of commodities and the performance of specified services related thereto.

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

ORIGINAL

Application 91-08-044 (Filed August 23, 1991)

OPINION

Applicant Di Salvo Trucking, (T-61078) seeks authority for a general increase of not to exceed 5% in its highway common carrier rates. It has exhausted all the increases granted by the Commission under Rule 7.2A of General Order 147-C. The proposed increases will be published in Western Motor Tariff Bureau Tariffs E.S 1-B, 170, 20-4, and 570-A.

It alleges that its expenses are increasing and its profits continue to drop. It notes that it recently accepted increases in local drivers' and clerks' wages which will cost roughly \$500,000 per year. It predicts that without the increase its operating ratio will be 1.0478% on jurisdictional revenue of \$15,633,672. Even when implemented in full, there will still be a loss on jurisdictional revenues.

It plans to phase in the increases over a period of time and requests exemption from Public Utilities (PU) Code \$ 491 to do so. It may not exercise all the authority granted, because of competitive conditions.

Transportation Division Staff has recommended that the application be granted in full if no protests are received. Findings of Pact

- 1. Notice of the proposed increase was published in the Commission's Daily Calendar on August 27, 1991. No protests have been received. No public hearing is necessary.
- 2. Disalvo has experienced further increased operating expenses since last receiving authority to increase its intrastate rates and charges.
- 3. Disalvo seeks an increase of 5% in rates and charges named in Tariffs E.S. 1-B, 170, 20-4, and 570-A.
- 4. The application, if granted, would increase DiSalvo's intrastate revenues by \$781,764 annually.
 - 5. The increases resulting from this decision are justified.
 - 6. A public hearing is not necessary.

Conclusions of Law

- 1. The application should be granted.
- 2. This order should be effective today, since there is an immediate need for rate relief. A public hearing is not necessary.

ORDBR

IT IS ORDERED that:

1. Disalvo Western Express, Inc. (Disalvo) is authorized to increase its rates and charges as specifically set forth in the body of the opinion.

- 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. Disalvo, in establishing and maintaining rates authorized by this order, is authorized to depart from the provisions of PU Code \$ 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. Disalvo is authorized to make some or all of the authorized increases effective on a delayed basis when necessary in its judgment to meet competitive conditions, and is granted an exemption from PU \$ 491 for this purpose.
 - 5. The application is granted as set forth above.
 This order is effective today.
 Dated January 10, 1992, at San Francisco, California.

DANIEL Wm. PESSLER
President
JOHN B. OHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners

WAS APPROVED BY THE ABOVE COMMISSIONERS TODAY

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EAL J. SHULMAN, EXOCUTIVO DIOC