

Decision 83 09 032 SEP 7 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Lane Drayage, Inc., )  
for authority to increase rates in )  
adopted Transition Tariffs by Lane )  
Drayage, Inc. for the transporta- )  
tion of commodities and performance )  
of specified services related )  
thereto. )

-AND-

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

Application 83-03-59  
(Filed March 22, 1983)

O P I N I O N

Lane Drayage, Inc., (Lane) seeks authority to increase its rates by amounts up to 15%. Lane has adopted Transition Tariffs 1-B, 2, 9-B, 11-A, 15, 19, Minimum Rate Tariffs 8-A, 14-A, Exception Ratings Tariff 1 (ERT 1) and Distance Table 8 (DT 8) as its own common carrier tariffs.

As justification for the proposed increases, applicant cites higher operating costs it is experiencing, the most significant being an increase in labor costs. In establishing the increases, Lane assertedly recognizes the forces of competition within the market and expects the increased rates will be within the zone of reasonableness.

The applicant has prepared financial data for a test period ending January 31, 1983. From that data, the staff has prepared a comparison of Lane's financial position using the present costs being experienced compared with revenue earned in 1982 and with the projected 1983 revenue including the sought increase.

<u>Test Year Ending January 31, 1983</u>				
		<u>Present Rates</u>		<u>Proposed Rates</u>
Revenue	(1982)	\$346,241	(1983)	\$398,177
Expenses Revised to Reflect Current Costs		386,105		386,105
Profit (Loss)		(39,864)		12,072
Operating Ratio		111.5		97

Applicant estimates that the sought increases would increase its California intrastate annual gross revenue by about \$51,936.

The application was listed on the Commission's Daily Calendar of March 24, 1983. No objection to the granting of the application has been received.

The proposal is not a major action significantly affecting energy efficiency within the meaning of Sections 3502.1 and 3502.2 of the Public Utilities (PU) Code.

Findings of Fact

1. Applicant's rates were last adjusted on April 20, 1980. Since then it has experienced increases in operating expenses, the most significant being the increased cost of labor.

2. An increase in rates by 15% is needed to offset the present costs being experienced.

3. Under the increases, applicant estimates it will realize additional revenue of \$51,936.

4. The increases resulting from this proposal are justified.

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

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

7. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.

2. The tariff pages to be published should be made effective no sooner than the fifth day after the effective date of this order.

O R D E R

IT IS ORDERED that:

1. Lane Drayage, Inc. is authorized to increase its rates by amounts up to 15% by amending its adoption notice and attaching revised surcharge supplements to its adopted Transition Tariffs 1-B, 2, 9-B, 11-A, 15, Minimum Rate Tariffs 8-A and 14-A.

2. Tariff publications authorized to be made as a result of this order shall be filed not earlier than 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. Lane Drayage, Inc. in establishing and maintaining the rates and charges 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.

O R D E R

IT IS ORDERED that:

1. Lane Drayage, Inc. is authorized to increase its rates by amounts up to 15% by amending its adoption notice and attaching revised surcharge supplements to its adopted Transition Tariffs 1-B, 2, 9-B, 11-A, 15, Minimum Rate Tariffs 8-A and 14-A.

2. Tariff publications authorized to be made as a result of this order shall be filed not earlier than 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. Lane Drayage, Inc. in establishing and maintaining the rates and charges 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.

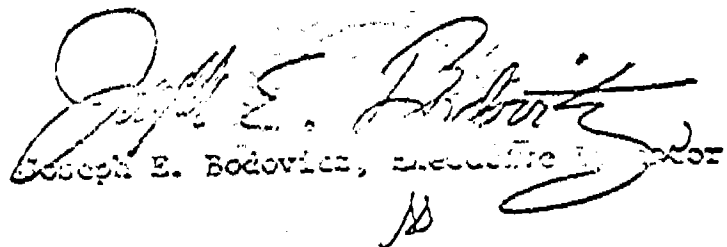
This order becomes effective 30 days from today.

Dated SEP 7 1983, at San Francisco, California.

Commissioner William T. Bagley  
being necessarily absent, did  
not participate.

LEONARD M. GRIMES, JR.  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL  
Commissioners

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

  
Joseph E. Bodovick, Executive Director