

ORIGINALDecision 84 01 008

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of)
 VIKING FREIGHT SYSTEM, INC., 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, 104, 113, 170, 272, 570-A)
 and Viking Freight System Tariff)
 VIKN 202 (including reissues)
 thereof) containing rates and)
 charges for this common carrier for)
 the transportation of commodities)
 and the performance of specified)
 services related thereto.)

Application 83-09-34
 (Filed September 14, 1983;
 amended November 22, 1983)

-And-

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

O P I N I O N

Viking Freight System, Inc. (Viking) seeks authority to increase its rates for the transportation of general commodities by 9%. The rates subject to the proposed increase are published by Western Motor Tariff Bureau, Inc., Agent, (WMTB) in the following tariffs (including reissues thereof):

WMTB Tariff E.S. 1-B, CAL PUC No. 34;
 WMTB Tariff 104, CAL PUC No. 23;
 WMTB Tariff 113, CAL PUC No. 19;

WMTB Tariff 170, CAL PUC No. 51;
WMTB Tariff 272, CAL PUC No. 47;
WMTB Tariff 570-A, CAL PUC No. 85; CAL
Viking Tariff 202, CAL PUC No. 2; and
Viking Tariff 200, CAL PUC No. 1.

Viking is also a participant in the 5% general rate increase Application 83-06-12 filed by WMTB for all bureau carrier member. For clarification of the separate increase applications Viking filed an amendment stating as follows:

"All unused permissive general increases approved for Viking Freight System, Inc. through our membership with the Western Motor Tariff Bureau (W.M.T.B.) which have not been published prior to the effective date of the nine percent (9%) proposed general rate increase sought herein shall be cancelled.

Viking Freight System, Inc. shall withdraw our participation in the five percent (5%) general rate increase application filed by the Western Motor Tariff Bureau for all bureau carrier members. Our withdrawal date will be concurrent with the effective date of the nine percent (9%) general rate increase sought herein."

As indicated in the stipulations above, it is the applicant's intent to forego all unused previously authorized increases in rates. Therefore, the order which follows will provide for the cancellation of any unused previously authorized increases on the date of the order.

Viking cites its need for revenue increases to offset increased operating expenses, such as increased costs of heavy-duty tractors, trailers, tires and parts; increased cost of diesel and gasoline fuels, increases in truck-use taxes, FICA and unemployment taxes; and increases in regulated utility costs for power and telephone.

Viking has submitted financial data for 6-months ending June 30, 1983. From that data the staff has prepared a comparison of Viking's financial position using the present costs being experienced compared with revenue earned in 1983, including the sought increase.

	<u>Test Period Ending June 30, 1983</u>	
	<u>Present Rates</u>	<u>Proposed Rates</u>
Revenue (6-Months 1983)	\$36,802,396	\$40,114,880
Expenses Revised to Reflect Current Costs	35,657,184	35,657,184
Profit	1,145,212	4,457,696
Operating Ratio	96.89	88.89

The application and amendment were listed on the Commission's Daily Calendars of September 30 and November 28, 1983, respectively. No protest to the granting of the application, as amended, has been received.

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

Findings of Fact

1. Viking as a participant in the named WMTB tariffs has been authorized permissive general rate increases totaling 22% since April 1980.
2. WMTB has filed for its tariff participants, including Viking, an application (A.83-06-12) seeking a 5% general rate increase.
3. Viking by this application, as amended, is seeking a 9% increase in its rates in WMTB tariffs.
4. Viking, stipulates that:
 - a. All unused permissive general rate increases authorized for Viking in WMTB Tariffs that have not been published prior to the effective date of the 9% proposed general rate increase sought by this application shall be cancelled.
 - b. Viking shall withdraw from Application 83-06-12. The withdrawal date will be concurrent with the effective date of the 9%, general rate increase.

Agenda clerk
1-5-84

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5. Under the sought increase, Viking estimates that it will realize additional revenue of about \$3,312,484.
6. The increases resulting from this proposal are justified.
7. Authority to depart from the provisions of PU Code Section 461.5 is justified.
8. The following order has no reasonably foreseeable impact on the energy efficiency of highway common carriers.
9. A public hearing is not necessary.
10. The effective date of this order should be today since there is no reason to delay the increases.

Conclusion of Law

The application as amended should be granted.

O R D E R

IT IS ORDERED that:

1. Viking Freight System, Inc. is authorized to increase its rates by 9% in the following tariffs (including reissues thereof):

WMTB Tariff E.S. 1-B, California P.U.C. No. 34;
WMTB Tariff 104, California P.U.C. No. 23;
WMTB Tariff 113, California P.U.C. No. 19;
WMTB Tariff 170, California P.U.C. No. 51;
WMTB Tariff 272, California P.U.C. No. 47;
WMTB Tariff 570-A, California P.U.C. No. 85; CAL
Viking Tariff 202, PUC No. 2; and
Viking Tariff 202, PUC No. 1.

2. Increase authorities granted to Viking Freight Systems, Inc. by Decisions 91596, 92256, 92829, 93805 and Resolution TS-545 and not exercised as of the date of this order are canceled.

3. Viking Freight System, Inc. in accepting this 9% increase shall not participate in any subsequent increase granted in Application 83-06-12.

4. 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.

5. Viking Freight System, 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.

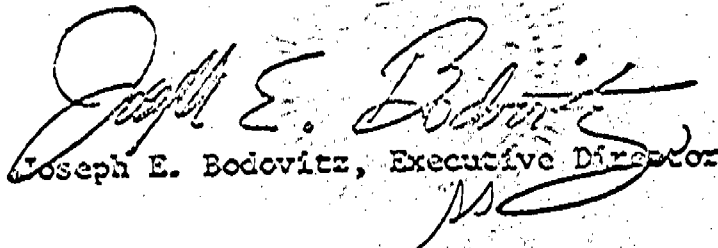
This order is effective today.

Dated JAN 5 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

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


Joseph E. Bodovitz, Executive Director