

T/RZE/WPSC

**ORIGINAL**

Decision 93339 JUL 22 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of O. R. Thomasson, )  
 on behalf of Keller's Freight )  
 Line for authority to cancel the )  
 carrier's participation from )  
 tariffs issued by Pacific Coast )  
 Tariff Bureau, Inc. and for )  
 Keller's Freight Line to adopt )  
 and establish as its own rates )  
 and rules of Pacific Motor Tariff )  
 Bureau, Inc. tariffs; and to )  
 increase rates in Pacific Motor )  
 Tariff Bureau, Inc. Tariffs 12, )  
 125, 250 and 550 for the account )  
 of Keller's Freight Line. )

Application No. 60614  
 (Filed June 1, 1981)

-And- )  
 For authority to depart from the )  
 terms of Section 454, 461.5 and )  
 491 of the Public Utilities Code )  
 when accomplishing such )  
 publication. )

O P I N I O N

By this application, Keller's Freight Line (Keller's), a corporation, seeks authority to transfer its participation from tariffs issued by Pacific Coast Tariff Bureau, Inc. to tariffs published by Pacific Motor Tariff Bureau, Inc. Keller's also seeks authority to increase its rates by 11% in these tariffs.

Keller's intends to cancel its participation in the following Pacific Coast Tariff Bureau, Inc. Tariffs:

Exception Sheet 100-A, Cal. P.U.C. No. 3;  
Local Freight Tariff 101, Cal. P.U.C. No. 36;  
Scope of Operations Tariff 101-A, Cal. P.U.C. No. 4;  
Local Freight Tariff 300-A, Cal. P.U.C. No. 5; and  
Local Freight Tariff 302, Cal. P.U.C. No. 44.

Keller's then would participate in, and be a party to, the rates and rules of the tariff issues of the following Pacific Motor Tariff Bureau, Inc. Tariffs:

Local Freight Tariff <sup>12,</sup>~~300-A~~, Cal. P.U.C. No. 3; ✓ dl  
Exception Sheet 100, Cal. P.U.C. No. 4;  
Rules Tariff 125, Cal. P.U.C. No. 2;  
Participating Carrier and Scope Tariff 150,  
Cal. P.U.C. No. 4;  
Commodity Rate Tariff 250, Cal. P.U.C. No. 3; and  
Class Rate Tariff 550, Cal. P.U.C. No. 1.

Keller's has determined that it is to its best interests and advantage to participate in these tariffs. The change to the new tariffs in itself will not result in an increase exceeding 1% in Keller's annual gross revenue attributed to California intrastate traffic.

Keller's alleges that its present rates do not yield sufficient revenue to allow it to conduct its operations at a reasonable profit. Keller's further alleges that additional revenue is required because of increased costs in all phases of operations, the most significant being the increased cost of labor and fuel.

The application contains revenue and expense data for a test period ending December 31, 1981. The data show that during the test period, applicant experienced a loss of \$33,651 and an operating ratio of 102%. The increased costs without the sought rate increase would result in the carrier's falling to an operating ratio of 110.3%. With the increase sought the carrier estimates that it will realize a profit of \$10,025 before taxes and maintain an operating ratio of 99%.

The application was listed on the Commission's Daily Calendar of June 5, 1981. 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 Public Utilities (PU) Code Sections 3502.1 and 3502.2.

Findings of Fact

1. Increases resulting from the change in tariff participation are justified.
2. Since Keller's rates were last adjusted it has experienced increases in operating expenses, the most significant being the increased cost of labor and fuel.
3. Under the increase sought, Keller's estimates it will realize additional revenue of \$170,013.

4. A surcharge increase of 11% is needed to offset the present higher costs being experienced.

5. The proposed increases in applicant's rates and charges have been shown to be justified.

6. Since Keller's is already experiencing the increased operating costs, the order which follows should be made effective the date of signature. The tariff pages to be published should be made effective no sooner than the fifth day after the effective date of this order.

7. Limited authority to depart from the provisions of PUC Code Section 461.5 should be granted.

8. Limited authority to depart from the terms and rules of General Order Series 80 should be granted.

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

10. A public hearing is not necessary.

Conclusion of Law

The proposed rate increases are just and reasonable. The effective date of the order should be the date signed because there is an immediate need for the rate relief.

O R D E R

IT IS ORDERED that:

1. Keller's Freight Line, a corporation, is authorized to have its participation canceled from tariffs issued by Pacific Coast Tariff Bureau, Inc., and have its participation added to certain tariffs published by Pacific Motor Tariff Bureau, Inc. as specifically proposed in the application.

2. Keller's Freight Line is authorized to publish increases in its rates and charges of 11% in Pacific Motor Tariff Bureau, Inc. Tariffs Nos. 12, 100, 125, <sup>250</sup> and 550. ✓  
dl

3. 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 five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

4. The cancellation of applicant's participation in Pacific Coast Tariff Bureau, Inc. tariff publications authorized shall be concurrent with the effective date of the adoption of Pacific Motor Tariff Bureau, Inc. tariff publications authorized.

5. Keller's Freight Line 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.

6. Keller's Freight Line is authorized to depart from the Commission's tariff circular requirements only to the extent necessary in establishing the surcharge supplements and their subsequent incorporation into the rates and charges as authorized by this order.

This order is effective today.

Dated JUL 22 1981, at San Francisco, California.

John E. Bayne  
President  
Robert A. Gault  
Leonard W. Jensen  
Victor C. Jones  
Prudence C. Drew  
Commissioners