

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Uniform Cover and Calendar Sheet

1. <u>REPORT DATE:</u> August 7, 2008	2. <u>BUREAU AGENDA NO.</u> OCT-2008-TSM-0163
3. <u>BUREAU:</u> Transportation & Safety	
4. <u>SECTION(S):</u> M. C. S. & E.	5. <u>PUBLIC MEETING DATE:</u>
6. <u>APPROVED BY:</u> Director: Hoffman 3-3846 <i>with file</i> Mgr/Spvr: Bingaman 7-1168 <i>M.B.</i> Legal Review: <i>Car</i>	October 9, 2008
7. <u>PERSONS IN CHARGE:</u> Fackler 5-0624 <i>JF</i>	9. <u>EFFECTIVE DATE OF FILING:</u>
8. <u>DOCKET NO.:</u> A-00108185 R-2008-2051299	October 13, 2008

- 10. (a) CAPTION (abbreviate if more than 4 lines)
- (b) Short summary of history & facts, documents & briefs
- (c) Recommendation

(a) **HERITAGE MOVING SYSTEMS, INC., T/D/B/A WINTERS MOVERS
CONCORDVILLE, DELAWARE COUNTY
INCREASE IN RATES**

(b) Heritage Moving Systems, Inc., t/d/b/a Winter Movers (carrier) furnishes household goods in use services originating in the borough of Media, Delaware County and the city of Philadelphia, as more thoroughly described in the order which grants authority at Docket No. A-00108185. Carrier has filed Tariff Freight Pa. P.U.C. No. 16. The carrier proposes an increase of \$58,956 in intrastate revenues by increasing the hourly 3 men and vehicle normal complement charge from \$119 per hour to \$125 per hour. The current hourly rates have been in effect since September 16, 2005. There are currently no outstanding fines or assessments.

(c) The data compiled and submitted by the carrier supports this increase and the Bureau recommends that Tariff Freight Pa. P.U.C. No. 16 be approved to become effective October 13, 2008.

11. MOTION BY: Commissioner Chm. Cawley
SECONDED: Commissioner VC Christy

Commissioner Powelson - Yes
Commissioner Pizzingrilli - Yes
Commissioner Gardner - Yes

CONTENT OF MOTION: Staff recommendation adopted.



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

October 9, 2008

A-00108185
R-2008-2051299

HERITAGE MOVING SYSTEMS INC
T/D/B/A WINTERS MOVERS
10 CONCHESTER RD
PO BOX 939
CONCORDVILLE PA 19331

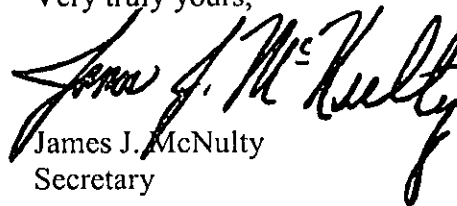
Pennsylvania Public Utility Commission
v.
Heritage Moving Systems, Inc.,
t/d/b/a Winters Movers

To Whom It May Concern:

This is to advise you that the Commission in Public Meeting on **October 9, 2008** adopted an Order in the above entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,



James J. McNulty
Secretary

Rpb
Encls
Cert. Mail

DOCUMENT
FOLDER RJP

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

Public Meeting held October 9, 2008

Commissioners Present:

James H. Cawley, Chairman
Tyrone J. Christy, Vice Chairman
Robert F. Powelson
Kim Pizzingrilli
Wayne E. Gardner

Pennsylvania Public Utility Commission

v.

A-00108185
R-2008-2051299

Heritage Moving Systems, Inc., t/d/b/a
Winters Movers

ORDER

BY THE COMMISSION:

Heritage Moving Systems, Inc., t/d/b/a Winters Movers (carrier) furnishes household goods in use services originating in the borough of Media, Delaware County and the city of Philadelphia, as more thoroughly described in the order which grants authority at Docket No. A-00108185.

Carrier has filed Tariff Freight Pa. P.U.C. No. 16 on April 14, 2008. Additionally, financial records, and other supporting data were filed in support of its request. The request is certified to the Commission for its decision without an oral hearing. The record consists of the proposed tariff, financial records, and other data in support of the request.

DISCUSSION

The carrier proposes an increase in total revenues of \$94,548, of which \$58,956 would be derived from intrastate revenues and \$35,592 from interstate revenue. The proposed rate increase will reduce operating losses and help to cover increases in advertising costs.

Carrier proposes to increase the hourly 3 men and vehicle normal complement charge by 5% in order to generate this revenue increase. Carrier currently charges \$119 per hour and proposes an increase to \$125 per hour (5%). The current hourly rates have been in effect since September 16, 2005.

Carrier's total revenue for the period ended December 31, 2007 was \$2,849,101, of which \$1,069,481 was derived from intrastate revenues and \$1,779,620 was derived from interstate revenues.

The carrier submitted financial records and other data in support of its request. Carrier has calculated that the increase will produce additional PUC revenues of \$58,956.

INCOME AND EXPENSE STATEMENT
YEAR ENDED DECEMBER 31, 2007
CARRIER PROJECTED TOTALS

	<u>Actual</u>	<u>Adjustments</u>	<u>Projection With Adjustments</u>
<u>Operating Revenues:</u>			
Intrastate	\$1,069,481	\$58,956	\$ 1,128,437
Interstate	1,779,620	35,592	1,815,212
<u>Total Revenues:</u>	\$2,849,101	\$94,548	\$2,943,649
<u>Operating Expenses:</u>			
Maintenance	\$ 153,167		\$ 153,167
Transportation (wages)	1,123,288		1,123,288
Terminal or Station	262,437		262,437
Advertising	54,955	\$ 17,378	72,333
Insurance	337,910		337,910
Administrative	748,284		748,284
Operating Taxes & License	259,081		259,081
Depreciation & Amortization	46,346		46,346
<u>Total Expenses:</u>	\$2,985,468	\$ 17,378	\$3,002,846
<u>Total Income:</u>	\$(136,367)	\$ 77,170	\$ (59,197)
<u>Operating Ratio Before Taxes:</u>	104.8%		102.0%

COMPANY CLAIMED ADJUSTMENTS TO OPERATING EXPENSES

Advertising expense – is projected to increase by \$17,378 or 31.6% due to an increase in the cost of advertising. The increase is in advertising media already utilized by the carrier and not for new services.

The carrier has documented this increase to support the above projection.

ANALYSIS

The carrier proposes an increase in total revenues of \$94,548, of which \$58,956 would be derived from intrastate revenues and \$35,592 from interstate revenue. The carrier's current operating ratio is 104.8%, and would change to 102.0%. Additionally, accessorial charges will increase by 10.0%, which includes the packing and unpacking of six different types of containers.

The proposed rate increase will reduce operating losses. An increase is only projected for advertising expenses. The increase is not for new types of advertising, but for advertising services currently used by the carrier, such as telephone directory ads. These forms of advertising are essential for keeping the public informed of the carrier's existence.

The carrier is aware that an operating ratio in excess of 100% could be interpreted as meaning that funds will be insufficient to continue safe operation. Sufficient resources are possessed by the carrier to continue maintaining its equipment for safe operations. Due to the competitive nature of the industry, the carrier anticipates that increased volume will result from rates lower than the competitors.

In order to generate this additional revenue, carrier proposes to increase the hourly 3 men and vehicle normal complement charge by 5%. Carrier currently charges \$119 per hour and proposes an increase to \$125 per hour (5%). The current hourly rates have been in effect since September 16, 2005.

Carrier has submitted sufficient documentation in support of the request. There are currently no outstanding fines or assessments.

Staff review of Commission records reveals that:

Clemmer Moving and Storage, Inc., 8th Revised Page 31 to Tariff Freight Pa. P.U.C. No. 54, effective April 17, 2006, provides for charges of \$139.00 per hour.

O'Malley Moving and Hauling, Inc., 5th Revised Page 74 to Tariff Freight Pa. PUC No. 54, effective September 13, 2004, provides for charges of \$128.00 per hour.

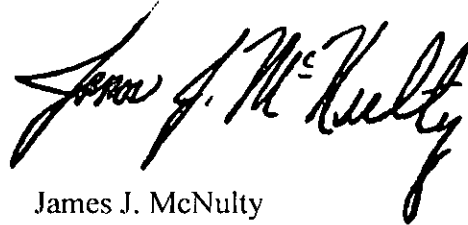
CONCLUSION

We have determined that Heritage Moving Systems, Inc., t/d/b/a Winters Movers has submitted the documentary justification to support the proposed revenue increase of \$94,548: THEREFORE,

IT IS ORDERED:

1. That Tariff Freight Pa. P.U.C. No. 16 be approved to become effective on October 13, 2008.
2. That a copy of this order be served upon the carrier.

BY THE COMMISSION



James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: October 9, 2008

ORDER ENTERED: OCT 09 2008