

Decision No. 61274

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
BURBANK REFRIGERATING COMPANY, CALIFORNIA)
ICE AND COLD STORAGE COMPANY, CRYSTAL)
COLD STORAGE WAREHOUSE (Carl W. Montgomery,)
dba), FEDERAL ICE & COLD STORAGE COMPANY,)
IMPERIAL ICE COMPANY, LOS ANGELES COLD)
STORAGE CO. (dba Los Angeles Ice & Cold)
Storage Co., Pasadena Ice Company, Pomona)
Valley Ice Co.), NATIONAL STORAGE COMPANY,)
NATIONAL ICE & COLD STORAGE CO. OF CALIFORNIA,) Application No. 42910.
ONTARIO ICE & COLD STORAGE COMPANY (W. W.)
Stevens, dba), PACIFIC COLD STORAGE INC.,)
SANTA MONICA COLD STORAGE COMPANY (B. F.)
Killam and M. C. Hernage, dba), SERVICE)
COLD STORAGE CO. (David Treguboff, dba),)
TERMINAL REFRIGERATING COMPANY, TRIANGLE)
COLD STORAGE CO., UNION ICE AND STORAGE)
COMPANY, and U. S. GROWERS COLD STORAGE,)
INC., for an increase in rates.)

OPINION AND ORDER

The sixteen applicants herein are engaged in public utility cold storage warehouse operations at various locations in the Counties of Los Angeles, Orange, Riverside, San Diego and San Bernardino.

By this application, filed November 29, 1960, authority is sought to increase the hourly labor rate from \$3.50 to \$4.00 per man per hour for labor performed during regular working hours, and from \$5.00 to \$6.00 per man per hour for labor performed during other than regular working hours.

The stated purpose of the proposed increases is to revise the present man-hour rates for labor to a basis more in line with the cost of the services rendered. The rates sought to be established have heretofore been authorized for and established by northern California cold storage warehousemen in the following proceedings:

<u>Decision No.</u>	<u>Date</u>	<u>Application No.</u>
58875	8-11-59	41062
60324	6-28-60	42238

Applicants estimate that had the proposed rates and charges been in effect for the latest available test year, the over-all revenue gain would have been approximately one-half percent before provision for additional income taxes. The actual over-all operating revenues of the applicants at locations in the counties hereinabove named during that test year amounted to a total of \$6,892,807.93. Had the proposed rates been in effect for the same period the revenues would have been \$6,931,115.54 or an over-all revenue gain of \$38,307.61.

A study showing over-all labor cost per man per hour was submitted with the application. Excluding direct supervision and overhead, the study develops an average direct cost of \$3.474 per man per hour. Adjusted for supervision and overhead expense, the study develops an average cost of \$4.47 per man per hour. Applicants state that this cost makes no provision for a profit. It is alleged that, on an over-all basis, applicants have been experiencing a loss of some 97 cents per man per hour on labor furnished under the current man-hour rate of \$3.50. Applicants assert that the proposed \$4.00 rate will cover their direct cost and contribute to supervision and overhead expense.

The application shows that a copy of a notice to increase the rates here involved has been sent to the storers of record. No objection has been received to the granting of the application.

Upon consideration of all of the facts and circumstances set forth in the verified application, the Commission is of the opinion and finds that the proposed increased rates are justified. A public hearing is not necessary. The application will be granted. Applicants will be authorized to publish the proposed rate adjustments herein involved on ten days' notice.

Therefore, good cause appearing,

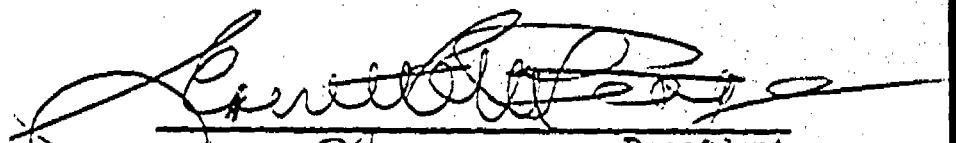
IT IS ORDERED:

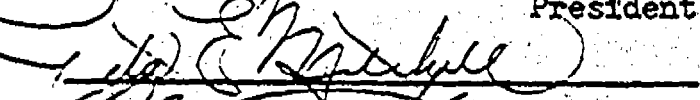
(1) That applicants are hereby authorized to establish, on not less than ten days' notice to the Commission and to the public, hourly labor rates of \$4.00 per man per hour for labor performed during regular working hours, and \$6.00 per man per hour for labor performed during other than regular working hours at their warehouses designated in Appendix "A" hereto which by this reference is made a part hereof.

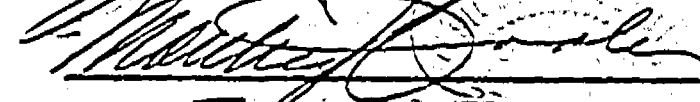
(2) That the authority herein granted shall expire unless exercised within ninety days after the effective date of this order.

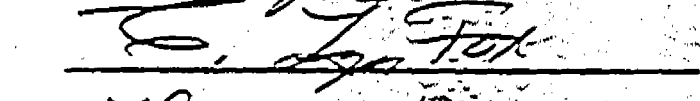
This order shall become effective twenty days after the date hereof.

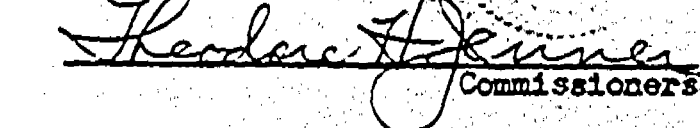
Dated at San Francisco, California, this 28th day of December, 1960.



President








Commissioners

APPENDIX "A" TO DECISION NO. 61274

Locations of cold storage warehouses for which increases in hourly labor rates are authorized by said decision.

<u>Name of Warehouseman</u>	<u>Location of Warehouses</u>
Burbank Refrigerating Company	Burbank
California Ice and Cold Storage Company	Long Beach & San Diego
Carl W. Montgomery, dba Crystal Cold Storage Warehouse	Anaheim
Federal Ice & Cold Storage Company	Vernon
Imperial Ice Company	Ocean Park
Los Angeles Cold Storage Co.	Los Angeles, Pasadena & Pomona
National Storage Company	Vernon & Los Angeles
National Ice & Cold Storage Co. of California	Riverside
W. W. Stevens, dba Ontario Ice & Cold Storage Co.	Ontario
Pacific Cold Storage Inc.	Vernon
B. F. Killam and M. C. Hernage, dba Santa Monica Cold Storage Company	Santa Monica
David Treguboff, dba Service Cold Storage Co.	Alhambra
Terminal Refrigerating Company	Los Angeles
Triangle Cold Storage Co.	Los Angeles County
Union Ice and Storage Company	Los Angeles, San Diego, San Bernardino, San Pedro & Wilmington
U. S. Growers Cold Storage, Inc.	Vernon

(End of Appendix "A")