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## Decision No. <u>63485</u>

## ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) ALLEN WAREHOUSE COMPANY OF CALIFORNIA, ) INC., for authority to increase certain) warehouse charges.

Application No. 44231 (Filed March 1, 1962)

## OPINION AND ORDER

Applicant is a California corporation engaged in public utility warehouse operations for the storage of cotton in Fresno.<sup>1</sup> By this application, it seeks authority to revise certain charges for handling, sampling, weighing, shipping and marking, and to establish the revised charges on less than 30 days' notice. Increases and reductions would result. The estimated additional revenue, on an annual basis, would be less than \$1,000.

More specifically, applicant proposes to cancel a charge of (1.00 per bale for handling, shipping, and marking and to establish in lieu thereof a charge of 60 cents per bale for handling and a charge of 40 cents per bale for shipping and marking. Also, the charge for sampling while in storage would be increased from 40 cents to 50 cents per bale, and the charge for sampling on delivery would be increased from 30 cents to 35 cents per bale; a charge for weighing while in storage would be increased from 40 cents per bale to 50 cents; and the charge for delivering cotton not compressed by the warehouseman would be increased from 85 cents per bale to \$1.00. All other rates and charges in the tariff would remain unchanged.

Applicant points out that the proposed separation between the handling charge and the shipping and marking charge is not an increase in the over-all charge. Applicant states that this change is proposed in order to conform with the requirements and desires of

Applicant possesses a prescriptive operative right as determined by this Commission's order, dated August 1, 1960, in Case No. 6733.

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the Commodity Credit Corporation, an agency of the United States Government. All of the other changes herein proposed are for the purpose of placing applicant's charges in line with those of competing warehousemen.<sup>2</sup>

The verified application contains a balance sheet and statements of income and expenses, including allocations of expenses between utility warehouse operations and non-utility operations. According to applicant's figures, after the proposed increases in charges, the return on its investment in facilities used in conducting its public utility warehouse business will be less than four per cent. In view of the fact that the indicated additional revenue involved in this application would be only \$992.00 on an annual basis, it is unnecessary for the purposes of this proceeding to discuss herein the bases of allocations or other over-all financial aspects of the proposal.

The verified application shows that applicant has notified all of its customers concerning the proposed increases and changes in its tariff rates. Applicant states that it has not received any opposition or objection to the proposals from any of its warehouse customers. No objections to the sought changes have been received by the Commission.

Upon consideration of all of the facts and circumstances set forth in the application, the Commission is of the opinion and finds that the proposed adjustments, including the increased charges, are justified. A public hearing is not necessary. The application will be granted. Applicant will be authorized to make the proposed revisions on ten days' notice.

<sup>&</sup>lt;sup>2</sup> Pacific Compress and Warehouse Co., California Compress and Calcot Compress. Only Pacific Compress and Warehouse Co. is a public utility warehouseman as defined in Section 239 of the Public Utilities Code. California Compress operates a cotton warehouse under License No. 2-2238 issued by the United States Department of Agriculture. Calcot Compress is a non-profit, cooperative warehouse association.

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Good cause appearing, IT IS ORDERED that:

1. Allen Warehouse Company of California, Inc., a corporation, is hereby authorized to establish, on not less than ten days' notice to the Commission and to the public, the increased charges and other adjustments specifically set forth in the above-entitled application.

2. The authority granted herein shall expire unless exercised within 120 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 <u>2710</u> day of March, 1962.

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