

ORIGINALDecision No. 70995

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)
 WEST LOS ANGELES MILLING CO. for an)
 increase in rates at warehouses)
 located at Chino and Los Angeles,)
 California.)

Application No. 48501
 (Filed May 24, 1966)

O P I N I O N

Applicant West Los Angeles Milling Co., a corporation, operates public warehouses for the storage of agricultural commodities at Chino, Durham, El Rio, Los Angeles and Sutter. The rates charged by applicant for storage, handling and other services performed at its Chino warehouse are in its Tariff No. 4; rates for services at its Los Angeles warehouse are in its Tariff No. 5; and rates for services it performs at the warehouses in Durham, El Rio and Sutter are in California Warehouse Tariff Bureau Warehouse Tariff No. 38, Jack L. Dawson, Agent. Applicant proposes to cancel its Tariffs Nos. 4 and 5 and concurrently therewith to adopt the rates and charges in California Warehouse Tariff Bureau Warehouse Tariff No. 38 for its services at Chino and Los Angeles. The proposal will result in increases in rates and charges for warehouse services at Chino and Los Angeles.

On May 17, 1966, applicant mailed to every one of its storers of record notice of the filing of this application and explained the increases in rates which will result if the application is granted. No communications from said storers have been received by the Commission.

The rates in Tariff No. 4 (Chino) have been in effect without change for some twenty years. The rates in Tariff No. 5 (Los Angeles) have been in effect without change for over 25 years. Although the tariffs name rates for a number of agricultural commodities, applicant has only been offered beans for storage during the past several years. Under the proposal the season rates for the storage of beans would increase from \$2.00 per ton to \$5.00 per ton. While other rates would also be increased, applicant has not been offered commodities for storage to which said rates would be applicable.

The rates in Tariff No. 38 were established under authority of Decision No. 63971, in Application No. 42521, for some 118 public utility warehousemen engaged in the storage of agricultural commodities throughout California. Those rates are applicable to applicant's operations at Durham, El Rio and Sutter. For some reason or reasons not now apparent to applicant, Application No. 42521 did not request increases in rates for the warehouses here under consideration at Chino and Los Angeles.

Exhibits attached to the application show that in its over-all public utility warehouse operations at Chino, Los Angeles, El Rio, Durham and Sutter for its fiscal year ended July 31, 1965 applicant earned revenues amounting to \$36,680.18, whereas expenses assigned to such operations amounted to over \$144,000.

Applicant used the method employed by the Commission staff in proceedings in Application No. 42521 to determine its present clean weight cost per ton for storage of beans. The resulting estimated cost is \$5.355 per ton. During the 1965 fiscal period, applicant received at its Chino and Los Angeles warehouses 1,344.9 tons (clean weight) of beans. At the proposed rate of \$5.00 per ton

applicant would have earned revenues of \$6,724.50. Considering the aforementioned estimated cost per ton, its expenses would amount to \$6,967.93 with a resulting operating ratio of 103.6 percent. We find that the increases which will result from the cancellation of Tariffs Nos. 4 and 5 and the establishment of rates in Tariff No. 38 are justified.

We conclude that the authorities sought should be granted and that a public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. West Los Angeles Milling Co. is authorized to cancel its currently effective Warehouse Tariffs Nos. 4, Cal. P.U.C. No. 4, and 5, C.R.C. No. 5, covering warehouse services at Chino and Los Angeles, respectively, and concurrently therewith to adopt the rates, charges, rules and regulations of California Warehouse Tariff Bureau Warehouse Tariff No. 38, Cal. P.U.C. No. 203, to apply for warehouse services at Chino and Los Angeles as proposed in Application No. 48501. Tariff publications authorized as a result of this order herein may be made effective not earlier than five days after the effective date hereof on not less than five days' notice to the Commission and to the public.

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

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 19th day of JULY, 1966.

George A. Groves President
Fredrick B. Holloff
Augustus
William L. Bennett Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.