

ORIGINAL

Decision No. 72745

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
WALKUP'S MERCHANTS EXPRESS for Author-)
ity to Increase Warehouse Rates.)

Application No. 49242
(Filed March 27, 1967)

OPINION AND ORDER

Walkup's Merchants Express, a corporation, oper-
ates as a public utility warehouseman in San Francisco, Oakland
and Sacramento. By this application, applicant seeks authority to
increase its rates and charges, on ten days' notice, by approximate-
ly 17.25 percent for warehousing services performed at San Francisco
and Oakland.¹

Applicant states that its current rates have generally
been in effect since September 15, 1961, and that it has experienced
increases in labor, taxes and other costs since that date. Appli-
cant avers that the type and character of its warehouse business and
its costs for labor, taxes, materials and supplies are substantially
the same as the principal San Francisco Bay Area warehousemen and
that the sought rates and charges are the same as those currently
assessed by such warehousemen.²

1

The proposed rates and charges and other related tariff changes
are outlined in detail in Exhibit A attached to the application.

2

Decisions Nos. 66689 and 69091, dated January 21, 1964, and
May 18, 1965, in Applications Nos. 45606 and 47107, respectively,
authorized the same increases as are herein sought to 27 San
Francisco Bay Area warehousemen.

Revenue and expense data submitted by applicant indicate that its San Francisco and Oakland warehouse operations have not been profitable. The results of these operations for the calendar year 1966 are summarized in Table I below:

TABLE I

| | <u>Under Present Rates</u> | <u>Under Proposed Rates</u> |
|-----------------------------------|------------------------------------|-------------------------------------|
| Revenues | \$515,038 | \$603,883 |
| Expenses (Adjusted) | <u>539,020</u> | <u>539,020</u> |
| Profit (or Loss) Before Taxes | (\$ 23,982) | \$ 64,863 |
| Less State & Federal Income Taxes | <u>None</u> | <u>26,489</u> |
| Net Profit (or Loss) After Taxes | (\$ 23,982) | \$ 38,374 |
| Operating Ratio | 104.7 | 93.6 |

The Commission's Finance and Accounts Division staff has reviewed the financial data submitted by applicant. The staff's figures for the same operations are summarized in Table II below:

TABLE II

| | <u>Under Present Rates</u> | <u>Under Proposed Rates</u> |
|-----------------------------------|------------------------------------|-------------------------------------|
| Revenues | \$515,037 | \$603,883 |
| Expenses (Adjusted) | <u>536,400</u> | <u>542,344</u> |
| Profit (or Loss) Before Taxes | (\$ 21,363) | \$ 61,539 |
| Less State & Federal Income Taxes | <u>None</u> | <u>24,799</u> |
| Net Profit (or Loss) After Taxes | (\$ 21,363) | \$ 36,740 |
| Operating Ratio | 104.2 | 93.9 |

The staff's report is received in evidence and identified as Exhibit No. 1 in this proceeding.

Copies of the verified application were mailed to all known storers of property in the warehouses involved on or about March 23, 1967. The application was listed on the Commission's Daily Calendar of March 28, 1967. No objection to the granting of the application has been received.

In the circumstances, it appears, and the Commission finds, that increases resulting from the establishment of rates and charges for storage, handling and other services as proposed in the application are justified. A public hearing is not necessary. The Commission concludes that the application should be granted to the extent set forth in the ensuing order.

Applicant will be authorized to publish the tariff changes on not less than ten days' notice to the Commission and to the public. In authorizing the increases as proposed, the Commission does not make any finding of fact as to the reasonableness of any particular rate or charge involved herein.

IT IS ORDERED that:

1. Walkup's Merchants Express is hereby authorized to establish increased rates and charges and other adjustments as specifically proposed in Application No. 49242.


2. Tariff publications authorized to be made as a result of the order herein may be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and to the public.

3. The authority granted herein is subject to the express condition that applicant will never urge before this Commission in any proceeding under Section 734 of the Public Utilities Code, or in any other proceeding, that the opinion and order herein constitute a finding of fact of the reasonableness of any particular rate or charge and that the filing of rates and charges pursuant to the authority granted herein will be construed as consent to this condition.


4. The authority granted herein 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.

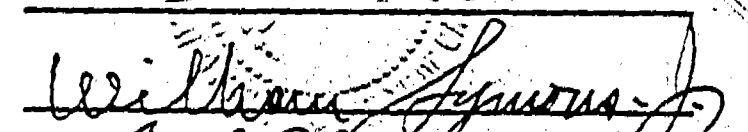
Dated at San Francisco, California, this 11th day of July, 1967.



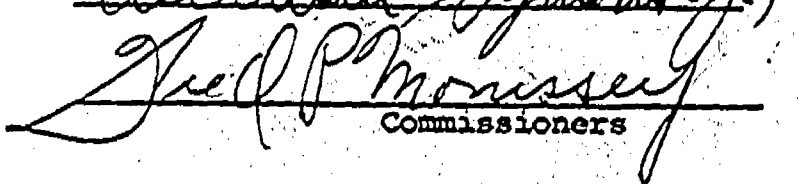
President



Commissioner



Commissioner



Commissioners

Commissioner A. W. GATOV
present but not voting.