

ORIGINALDecision No. 73967

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 YUBA CITY REFRIGERATING COMPANY for)
 an order authorizing a revision in)
 rates for labor furnished customers)
 and for the establishment of a rate)
 for tree and dormant nursery stock)
 storage.)

Application No. 49949
 (Filed January 17, 1968)

O P I N I O N

Yuba City Refrigerating Company operates a refrigerated storage warehouse in Yuba City. It here seeks authority to increase its charges for labor and to establish increased commodity rates for the storage of dormant trees in nursery stock.

Applicant's current charge for labor is at the rate of \$3.00 per hour per man, minimum charge \$1.00; with overtime labor at the rate of \$4.50 per man per hour. It proposes to increase the rate to \$4.00 per hour per man, minimum charge \$2.00, with an overtime rate of \$6.00 per hour. The reasons for the proposed increase are summarized as follows: For the year ended December 31, 1966, applicant's average direct cost per man-hour of warehouse labor including payroll taxes, insurance and welfare benefits was \$3.10 per man-hour at straight time. Applicant must compete with local canning and freezing industries for qualified labor and because of said competition, it was required to grant a wage increase of five percent effective October 16, 1967. As a result, the direct labor cost to it substantially exceeds the revenue received from such labor at its present rates. The present tariff rates provided a total revenue of \$7,155 for labor services performed during the

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year ended April 30, 1967. At the proposed rates it is estimated that the revenue would be \$9,500.

There is no specific commodity rate in applicant's tariff for the storage of nursery stock. It is asserted that the varying size, shape and weight of this commodity and the techniques involved in the handling and storage thereof are such that a charge based on weight or cubic space occupied is impractical. Applicant proposes to establish rates per square foot of floor space occupied for bare root stock depending upon the racks provided by the applicant or by the storer, and for bedded stock, depending upon whether the stock is bedded in bins or on the warehouse floor. The anticipated annual revenue for the service provided at the proposed rate is \$10,000.

Applicant has notified all of its major customers of its proposal to increase labor rates and to establish commodity rates for nursery stock. The notification suggests that objections to the proposal may be sent to the Commission. No protests have been received by the Commission.

We find that the proposed increases are justified and that a public hearing is not necessary. We conclude that applicant should be authorized to establish the proposed rates.

O R D E R

IT IS ORDERED that:

1. Yuba City Refrigerating Company is authorized to establish the increased rates proposed in Application No. 49949. Tariff publications authorized to be made as a result of the order herein shall be filed not earlier than the effective date of this order and may be made effective not earlier than thirty days after the

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effective date hereof on not less than thirty 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 twenty days after the date hereof.

Dated at San Francisco, California, this 9th day of APRIL, 1968.

Robert E. Mitchell
President

William La Beauvais

Augusta

William Seymour

Sted P. Morrissey
Commissioners