

ORIGINAL

Decision No. 81758

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:)
BEKINS WAREHOUSING CORP., CITY TRANS-)
FER, INC., CRESCENT WAREHOUSE CO.,)
LTD. and WEST COAST WAREHOUSE CORPO-)
RATION for authority to increase)
rates and charges as warehousemen in)
the Los Angeles-Long Beach area, and)
for interim order.)

Application No. 53741
(Filed December 7, 1972)

OPINION AND ORDER

Following public hearing, applicants were authorized by Decision No. 21293 dated April 17, 1973 to establish as interim rates the increased rates and charges sought in the application.^{1/} Specifically, the decision authorized an interim surcharge of 20 percent in rates for storage and 35 percent in other rates and charges which applicants maintain for the storage of merchandise in the Los Angeles-Long Beach area. In other respects Application No. 53741 was adjourned to permit the staff to complete study of applicants' records and to make its findings.

On June 29, 1973 the Commission's Finance and Accounts Division issued its report. The report presents information relative to the financial condition, investment in carrier operating property, and operating results of the applicants for the purpose of evaluating their request for the sought rate increases. According to the staff report balance sheets of each applicant were verified, and the operating statements of Bekins, City Transfer, and West Coast were examined. The staff states that the adjustments made in operating statements in the application,

^{1/} Applicants filed the increased rates on an interim basis effective May 1, 1973 in California Warehouse Tariff Bureau Warehouse Tariff No. 13-B, Cal PUC No. 211, issued by Jack L. Dawson, agent.

and as explained by applicants at the hearing on February 22, 1973, appear proper. Certain adjustments were made by the staff in the 1972 warehouse expenses of West Coast. However, none of the adjustments made by the staff improved the 1972 West Coast operating ratio (warehouse) to the break-even point.

The pro forma revenues and expenses for the test year 1973, as measured by the staff, produced the following warehouse operating ratios: Bekins 91.0; City Transfer 100.2; and West Coast 98.2 (total 97.5). The staff states that it has no objection to the granting of the sought increases.

In the circumstances the Commission finds that the sought increased storage and handling rates are justified. Further hearing is not necessary. The Commission concludes that the increases authorized on an interim basis by Decision No. 81293 should be authorized on a permanent basis, and that the refund provision in the decision should be rescinded.

IT IS ORDERED that:

1. Applicants are authorized to incorporate in the specific rates and charges in California Warehouse Tariff Bureau, Warehouse Tariff No. 13-B, CAL PUC No. 211, issued by Jack L. Dawson agent, the surcharge increases authorized by Decision No. 81293.

2. In incorporating the surcharge increases into the specific rates and charges, fractions shall be disposed of as follows:

- (a) Where the rate or charge without the surcharge is less than 10 cents, dispose of fractions to the nearest mill, dropping fractions of less than 1/2 mill increasing fraction of 1/2 mill or greater to the next whole mill.
- (b) Where the rate or charge without the surcharge is 10 cents or greater, dispose of fractions to the nearest cent, dropping fractions of less than 1/2 cent and increasing fractions of 1/2 cent or greater to the next whole cent.

3. 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 five days after the effective date hereof on not less than five days' notice to the Commission and to the public.

4. The authority granted in Ordering Paragraph 1 is subject to the express condition that applicants 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 herein granted will be construed as a consent to this condition.

5. The authority granted in Decision No. 81293 and the authority herein granted shall expire unless exercised within one hundred twenty days of the effective date of this order.

6. Ordering Paragraph 2 of Decision No. 81293 is rescinded.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 21st
day of AUGUST, 1973.

Vernon L. Sturgeon
President

William J. Sproule

[Signature]
Commissioners

Lab Taux

[Signature], Commissioner