## Decision No. 84681

## ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CRISTINA WAREHOUSE CO., INC., for authorization to increase rates.

Application No. 55586 (Filed March 27, 1975)

## <u>O P I N I O N</u>

Cristina Warehouse Co., Inc. (Cristina) is a public utility warehouseman for the storage of general commodities at San Jose. The rates, rules, and regulations governing applicant's operations are contained in California Warehouse Tariff Bureau Warehouse Tariff No. 52, Cal. P.U.C. No. 224 (Tariff 52), in which applicant is a participant, and in Cristina Warehouse Co., Inc., Warehouse Tariff No. 2, Cal. P.U.C. No. 2 (Cristina 2).

Applicant requests authority to cancel its participation in Tariff 52 and to become a participant in California Warehouse Tariff Bureau Warehouse Tariff No. 48-A, Cal. P.U.C. No. 253. Applicant also requests authorization to amend the rates, rules, and regulations in its Cristina 2 by publishing, in place of said Warehouse Tariff No. 2, a new tariff denoted Cristina Warehouse Co., Inc., Warehouse Tariff No. 3.

Applicant alleges that its present rates do not yield sufficient revenue to allow applicant to conduct its business at a reasonable profit.

The application states that: "Applicant operates a distribution warehouse rather than an area of production warehouse. The rates, rules and regulations presently contained in California Warehouse Tariff Bureau Warehouse Tariff No. 48-A, Cal. P.U.C. No. 253, in which Applicant seeks to become a participant, are better suited

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to the operations of Applicant's warehouse business than the rates, rules and regulations contained in California Warehouse Tariff Bureau Warehouse Tariff No. 52, in which Applicant now participates. Applicant's operations are those of a distribution warehouse in a metropolitan area. Applicant's costs are similar to those of other participants in said Warehouse Tariff No. 48-A in San Francisco."

Exhibit D, attached to the application, contains revenue and expense data for the test year ended October 31, 1974 together with adjustments to reflect the proposed increase in revenues should the application be granted. The exhibit discloses that during the test year applicant sustained a loss of \$61,866, and an operating ratio of 115.2 percent. Had the sought rates been in effect during the test year applicant would have sustained a loss of \$4,159 and an operating ratio of 100.9 percent.

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Applicant's storers have been informed of the relief sought. Notice of the application was published in the Commission's Daily Calendar dated March 28, 1975. There are no protests. <u>Findings</u>

1. Applicant's present tariff rates and charges do not provide revenues sufficient to meet expenses incurred in providing public utility warehouse services at San Jose.

2. Applicant has demonstrated a need of additional revenues for its public utility warehouse operations at San Jose.

3. The proposed increase will produce approximately \$57,707 additional revenue which will not produce excessive earnings for applicant.

4. A public hearing is not necessary.

5. The proposed increase has been shown to be justified.

The Commission concludes that Application No. 55586 should be granted.

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IT IS ORDERED that:

1. Cristina Warehouse Co., Inc. is authorized to establish the increased rates proposed in Application No. 55586. 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.

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

3. The authority herein granted is subject to the express condition that applicant will never urge before the 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 consent to this condition.

The effective date of this order is the date hereof. Dated at San Francisco, California, this 15th day of JULY, 1975.

President Commissioners

Commissioner William Symons. Jr., being necessarily absent. did not participate in the disposition of this proceeding.

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