

Decision No. 84966

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
AMERICAN WAREHOUSE CO., INC., for
authority to increase its warehouse
rates.

Application No. 55555
(Filed March 12, 1975)

Bertram S. Silver, Attorney at Law, for applicant.
Russell D. Corning, for the Commission staff.

O P I N I O N

Applicant is a public utility warehouseman engaged in the storage primarily of agricultural commodities at Fresno. Applicant seeks to increase its rates by 18.5 percent.

Public hearing was held before Examiner O'Leary at Fresno on July 16, 1975 at which time the matter was submitted.

Notice of the proposed increases was sent to each of applicant's storers. None of the storers have registered any objection to the proposed increases.

Evidence in support of the requested increase was presented by applicant's tariff agent, general manager, and controller. A representative of the Commission staff cross-examined applicant's witnesses.

Applicant's rates were last adjusted pursuant to authority granted by Decision No. 80329 dated August 1, 1972 in Application No. 52883.

Since applicant's rates were last adjusted it has experienced increased costs for labor, materials, and supplies.

Exhibit D attached to the application is a profit and loss statement comparing applicant's results of operations under present rates and the rates proposed herein. The exhibit discloses that under present rates and adjusted expenses applicant's rate of return

and operating ratio after taxes were 4.3 percent and 92.8 percent, respectively, and under proposed rates and adjusted expenses its rate of return and operating ratio after taxes would have been 9.5 percent and 86.5 percent, respectively.

Findings

1. Applicant's rates were last adjusted by Decision No. 80329 dated August 1, 1972 in Application No. 52883.

2. Since applicant's rates were last adjusted it has experienced increases in operating expenses due to increases in labor, materials, and supplies.

3. Under the increase sought herein applicant estimates it will realize additional revenue of \$78,631, an operating ratio after taxes of 86.5 percent, and a rate of return after taxes of 9.5 percent.

4. The proposed increases in applicant's rates and charges have been shown to be justified.

The Commission concludes that Application No. 55555 should be granted.

O R D E R

IT IS ORDERED that:

1. American Warehouse Co., Inc. is authorized to establish the increased rates proposed in Application No. 55555. Tariff publications authorized to be made as a result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than thirty days after the effective date of this order on not less than thirty days' notice to the Commission and to the public.


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


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3. The authority granted by this order 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 this opinion and order constitute a finding of fact of the reasonableness of any particular rate or charge. The filing of rates and charges pursuant to this order will be construed as a consent to this condition.

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

Dated at San Francisco, California, this 7th
day of OCTOBER, 1975.



President


Leonard Ross


Commissioners