

Decision No. 84994

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 CALIFORNIA DISTRIBUTION CENTERS, INC. }
 for an Increase in Rates. }

Application No. 55744
 (Filed June 18, 1975;
 amended August 8, 1975)

O P I N I O N

Applicant is a public utility warehouseman for the storage of general commodities at Sacramento. The rates, rules, and regulations governing applicant's operations are contained in California Warehouse Tariff Bureau Warehouse Tariffs Nos. 52 and 53-B, Cal. P.U.C. Nos. 224 and 256, respectively, of Jack L. Dawson, Agent.

Applicant requests authority to cancel its participation in the above-named tariffs and to establish, in lieu of the rates here proposed to be canceled, the current rates, rules, and regulations in effect in California Warehouse Tariff Bureau Warehouse Tariff No. 48-A, Cal. P.U.C. No. 253, applicable in the San Francisco Bay area, with the exception that a withdrawal charge of \$1.25 per order, and a 20¢ per line item per order are proposed to be established in lieu of the withdrawal and line item charge set forth in Rule 105 of Warehouse Tariff No. 48-A, and with the exception that the basic domestic storage rates here proposed to be established will be as follows in lieu of the basic domestic storage rates set forth in Item 10 of Warehouse Tariff No. 48-A under the (1) reference:

<u>Package Size or Unit Load Size</u>			<u>(1)</u>
Package, up to	.5	cu.ft.	1.5
Package, up to	.75	cu.ft.	2.2
Package, up to	1	cu.ft.	2.9
Package, up to	1.5	cu.ft.	4.4
Package, up to	2	cu.ft.	5.9
Package, up to	2.5	cu.ft.	7.6
Package, up to	3	cu.ft.	9
Package, up to	4	cu.ft.	12
Package, up to	5	cu.ft.	15
Package, up to	7.5	cu.ft.	24
Package, up to	10	cu.ft.	29
Package, up to	12.5	cu.ft.	37
Package, up to	15	cu.ft.	49
Package, up to	25	cu.ft.	73
Package, up to	50	cu.ft.	146
Package, over	50	cu.ft. (per cu.ft.)	2.9
(8) Unit loads, up to	64	cu.ft.	146
(8) Unit loads, up to	75	cu.ft.	172
(8) Unit loads, up to	100	cu.ft.	228
(8) Unit loads, up to	125	cu.ft.	284

Also, applicant seeks to establish in an individual volume tariff rates for cleaning compound and tobacco, and rates for consolidation services, to the extent set forth in Exhibit A attached to the application.

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

Exhibit D, attached to the application, contains revenue and expense data for the test year ended February 28, 1975 together with adjustments to reflect the proposed increase in revenue should the application be granted. The exhibit discloses that during the test year applicant sustained a loss of \$28,033 and an operating ratio of 106.2 percent. Had the sought rates been in effect during the test year, applicant would have realized, after taxes, a profit of \$49,596, an operating ratio of 91.3 percent and a rate of return of 6.7 percent.

Applicant's storers have been informed of the relief sought. Notices of the application and amendment thereto were published in the Commission's Daily Calendars dated June 19, 1975 and August 11, 1975. There are no protests.

Findings

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

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

3. The proposed increase will produce approximately \$119,106 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. 55744, as amended, should be granted.

O R D E R

IT IS ORDERED that:

1. California Distribution Centers, Inc. is authorized to establish the increased rates proposed in Application No. 55744, as amended. 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 OCTOBER, 1975.

~~William J. Sturgeon~~
William J. Sturgeon President
[Signature]
[Signature]
[Signature] Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.