

Decision No. 85954**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of PUBLIC DISTRIBUTION CORPORATION,
for an Order authorizing applicant
to increase rates and charges.

Application No. 56259
(Filed February 6, 1976;
amended March 25, 1976)

O P I N I O N

Applicant is a public utility warehouseman for the storage of general commodities at Los Angeles. The rates, rules, and regulations governing applicant's operations are contained in Public Distribution Corporation's Warehouse Tariff No. 1 Cal. P.U.C. No. 1.

Applicant requests authorization to publish on five days' notice to the Commission and to the public an increase of 28 percent on its present storage and handling rates, a 33 percent increase on its present truck receiving rates, and a 36 percent increase on its present accessorial rates and charges other than truck receiving.

Applicant alleges that its present rates do not yield sufficient revenue to allow applicant to conduct its warehouse operations at a profit and that additional revenue is required because of increased costs in all phases of operation.

Applicant's rates were last adjusted pursuant to authority granted by Decision No. 82235 dated December 7, 1973 in Application No. 53600.

Exhibit C, attached to the application, contains revenue and expense data for the test year ended December 31, 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 \$140,765 and an operating ratio of 122 percent. Had the sought rates and increased costs

been in effect during the test year applicant would have realized, after taxes, a profit of \$13,522 and an operating ratio of 98 percent.

Notice of the proposed increases was sent to each of applicant's storers. None of the storers protest the proposed increases.

Findings

1. Applicant's rates were last adjusted by Decision No. 82235 dated December 7, 1973 in Application No. 53600.

2. Since applicant's rates were last adjusted it has experienced increases in operating expenses.

3. Under the increases sought herein applicant estimates it will realize additional annual revenue of \$190,814 and an operating ratio after taxes of 98 percent.

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

5. A public hearing is not necessary.

The Commission concludes that the application should be granted, and since there are no protests and applicant is operating at a loss, the effective date of this order should be the date on which it is signed.

O R D E R

IT IS ORDERED that:

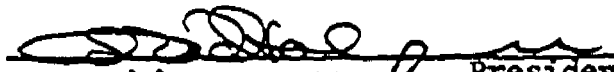
1. Public Distribution Corporation is authorized to establish the increased rates proposed in Application No. 56259. Tariff publications authorized to be made as a result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than five days after the effective date of this order on not less than five 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.

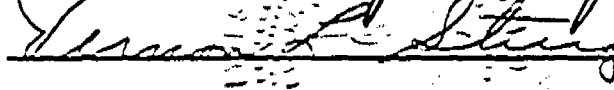
The authority granted by this order is subject to the express condition that applicant will never urge before this Commission in any proceeding under Section 734 of the Public Utilities Code, or in any other proceeding, that this opinion and order constitute a finding of fact of the reasonableness of 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 is the date hereof.

Dated at San Francisco, California, this 15th
day of JUNE, 1976.



President






Commissioners

Commissioner Leonard Ross, being necessarily absent, did not participate in the disposition of this proceeding.