

Decision No. 86302

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)  
of Malcolm W. Lamb, dba SOUTH )  
END WAREHOUSE COMPANY for an )  
Increase in Rates. )

Application No. 56613  
(Filed July 13, 1976)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at San Francisco. The rates, rules and regulations governing applicant's operations are contained in California Warehouse Tariff Bureau, Tariffs Nos. 48-A and 49-A, Cal. P.U.C. Nos. 253 and 262, respectively, of Jack L. Dawson, Agent.

Applicant requests authority to publish on five days' notice to the Commission and to the public an increase in his rates and charges for storage of 5 percent and an increase in his rates and charges for other than storage of 15 percent. The overall effect of this increase is 8.1 percent in applicant's warehouse revenue. If the authority is granted applicant intends to cancel his participation in the above tariffs and publish his increased rates and charges in an individual tariff. The requested rate increase has been determined by applicant without consultation or agreement with any other warehouseman.

Applicant alleges that his present rates do not yield sufficient revenue to allow him to conduct his warehouse operations at a profit.

Applicant's rates were last adjusted pursuant to authority granted by Decision 83246 dated August 6, 1974, in Application 54589.

Applicant further alleges that additional revenue is required because of increased costs in all phases of operation, the

most significant being the increased cost of plant and clerical labor.

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 realized a profit of \$24,917 and an operating ratio of 94.7 percent. Had the sought rates been in effect during the test year applicant would have realized, after taxes, a profit of \$31,255 and an operating ratio of 93.8 percent.

Notice of the proposed increase was sent to each of applicant's storers. The application was listed on the Commission's Daily Calendar of July 14, 1976. None of the storers have registered any objection to the proposed increase.

Findings:

1. Applicant's rates were last adjusted by Decision 83246 dated August 6, 1974, in Application 54589.
2. Since applicant's rates were last adjusted it has experienced increases in operating expenses, the most significant being the cost of plant and clerical labor.
3. Under the increase sought herein applicant estimates it will realize additional revenue of \$37,727 and an operating ratio after taxes of 93.8 percent.
4. The proposed increases in applicant's rates and charges have been shown to be justified.
5. A public hearing is not necessary.

IT IS ORDERED that:


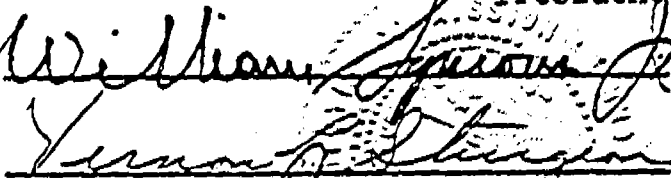

1. Malcolm W. Lamb, doing business as South End Warehouse Company, is authorized to establish the increased rates and charges proposed in Application 56613. Tariff publications authorized to be made as a result of this order shall be filed not earlier than the effective date of this order and may be 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.

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 24<sup>th</sup> day of August, 1976.

  
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President  
  
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Commissioners