NRP - HK

## ORIGINAL

Decision No. 86588

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application ) of TRANMELL CROW DISTRIBUTION ) CORPORATION OF LOS ANGELES for ) an Increase in Rates

Application No. 56648 (Filed July 28, 1976)

## OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at Commerce. The rates, rules and regulations governing applicant's operations are contained in Western Motor Tariff Bureau, Inc., Agent, Warehouse Tariffs Nos. 1 and 2, Cal. P.U.C. Nos. 35 and 36, respectively.

Applicant requests authority to increase rates and charges by approximately 10 percent. The requested rate increase has been determined by applicant without consultation or agreement with any other warehouseman. If the authority is granted, the increased rates will be published in an individual tariff.

Applicant alleges that present rates are no longer compensatory due to increased costs of labor, power, taxes and other operating costs, and the increased rates are necessary to enable it to provide efficient service to the public.

Applicant's rates were last adjusted pursuant to authority granted by Decision 84840 dated August 26, 1975, in Application 55488.

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 \$99,987 and an operating ratio of 121 percent. Had the sought rates been in effect during the test year, applicant would have sustained a loss of \$52,091 and an operating ratio after taxes of 109.8 percent.

A. 56648 - NRP - HK Notice of the proposed increase was sent to each of applicant's storers. No objection to the granting of the application has been received. Findings Applicant's rates were last adjusted by Decision 84840 1. dated August 26, 1975, in Application 55488. Since applicant's rates were last adjusted, it has experienced increases in rent, labor, power, taxes and other operating costs. Under the increase sought herein, applicant estimates it will realize additional revenue of \$47,896 and an operating ratio after taxes of 116 percent. The proposed increases in applicant's rates and charges have been shown to be justified. A public hearing is not necessary. IT IS ORDERED that: Trammell Crow Distribution Corporation of Los Angeles is authorized to establish the increased rates proposed in Application 56648. Tariff publications authorized to be made as a result of this order shall 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. 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 the 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. -2-

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

Dated at San Francisco, California, this 200 day of November, 1976.

Polet Balling

Commissioner

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