Decision No. 86589

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application) of BECKMAN EXPRESS & WAREHOUSE CO.) for an Increase in Rates.

Application No. 56711 (Filed August 26, 1976)

OPINION AND ORDER

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

Applicant requests authority to increase rates and charges by 15 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 83246 dated August 6, 1974, in Application 54589.

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 \$15,371 and an operating ratio of 123.5 percent. Had the sought rates been in effect during the test year, applicant would have sustained a loss of \$5,556 and an operating ratio of 107.4 percent.

A. 56711 - NRP - gm Notice of the proposed increase was sent to each of applicant's storers. California Trucking Association opposed the ex parte consideration of the application without giving any specific reasons. Findings l. Applicant's rates were last adjusted by Decision 83246 dated August 6, 1974, in Application 54589. Since applicant last adjusted its rates, 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 \$9,815 and an operating ratio of 107.4 percent. The proposed increases in applicant's rates and charges have been shown to be justified. A public hearing is not necessary. 5. IT IS ORDERED that: Beckman Express & Warehouse Co. is authorized to establish the increased rates proposed in Application 56711. 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 <u>2nd</u> day of November, 1976.

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