

ORIGINAL

Decision No. 86784

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)	
of Commerce Warehouse Company,)	
seeking authority to increase)	Application No. 56855
rates for its account in Western)	(Filed November 8, 1976)
Motor Tariff Bureau, Inc., Agent,)	
Warehouse Tariffs Nos. 1 and 2)	
applicable for storage and han-)	
dling in Southern California.)	

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at La Mirada. The rates, rules and regulations governing applicant's operations are contained in Western Motor Tariff Bureau, Inc., Agent, Warehouse Tariff No. 1, Cal.P.U.C. No. 35 and Warehouse Tariff No. 2, Cal.P.U.C. No. 36.

Applicant requests authority to increase its rates by eight percent. The requested rate increase has been determined by applicant without consultation with any other party. If the authority is granted, the increased rates will be published as a surcharge on an interim basis, until such time as the rates can be incorporated into the tariff or applicant can publish its own tariff.

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

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

Applicant further alleges that additional revenue is required because of increased costs in all phases of operations, the most significant being the increased cost of plant and clerical labor.

Exhibit B, attached to the application, contains revenue and expense data for the test year ended September 30, 1976, 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 \$22,752 and an operating ratio of 101.8 percent. Had the sought rates been in effect during the test year, together with expenses revised to reflect current costs, applicant would have realized a profit of \$76,657 and an operating ratio of 94.3 percent.

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

1. Applicant's rates were last adjusted by Decision 84340 dated August 26, 1975, in Application 55488.
2. Since applicant's rates were last adjusted, it has experienced increases in operating expenses, the most significant being the increased cost of plant and clerical labor.
3. Under the increase sought herein applicant estimates it will realize additional revenue of \$99,409 and an operating ratio of 94.3 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. Commerce Warehouse Company is authorized to establish the increased rates proposed in Application 56855. Tariff publications authorized to be made as a result of this order shall be filed

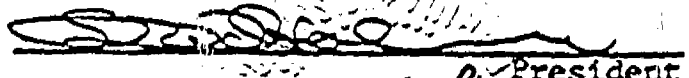
not earlier than the effective date of this order and may be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and to the public.

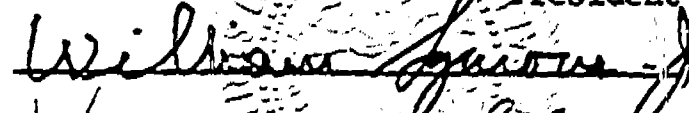

2. The authority shall expire unless exercised within ninety days after the effective date of this order.

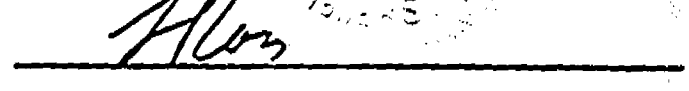
3. The authority granted by this order is subject to the express condition that applicant will never urge before this Commission in any proceeding under Section 734 of the Public Utilities Code, or in any other proceeding, that this opinion and order constitute a finding of fact of the reasonableness 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 21st day of December, 1976.



President





Commissioners

Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.