

ORIGINAL

Decision No. 86824

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of PACIFIC COAST TERMINAL WARE-)
HOUSE CO. for an Increase in Rates)

Application No. 56870
(Filed November 15, 1976)

OPINION AND ORDER

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

Applicant requests authority to increase rates and charges by 10 percent for the storage and handling of property at Vernon. The requested 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 as a surcharge, on an interim basis, until such time as 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 C, attached to the application, contains revenue and expense data for the test year ended December 31, 1975, modified to reflect current costs, 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 \$165,272 and an operating ratio of 108.9 percent. Had the sought rates been in effect during the test year, applicant would have realized, after taxes, a profit of \$14,849 and an operating ratio of 99.3 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 84840 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 \$186,185 and an operating ratio after taxes of 99.3 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. Pacific Coast Terminal Warehouse Co. is authorized to establish the increased rates proposed in Application 56870. 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 5th day of January, 1977.

Robert B. Baker
President
William J. ...
Vernon L. ...
...
Commissioners