

ORIGINAL

Decision No. 87204

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Northern California Warehouse,)
Inc. for an Increase in Rates.)

Application No. 57103
(Filed February 22, 1977)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at Hayward and San Francisco. The rates, rules and regulations governing applicant's operations are contained in Northern California Warehouse, Inc. Warehouse Tariffs Nos. 1 and 2 Cal. P.U.C. Nos. 1 and 2, respectively.

Applicant requests authority to increase by 3½ percent its rates for storage and by 10½ percent its rates and charges for services other than storage. The proposed increases if granted are expected to yield an increase of 7.63 percent in revenue. The requested rate increase has been determined by applicant without consultation or agreement with any other warehouseman.

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

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 B, attached to the application, contains revenue and expense data for the test year ended December 31, 1976 modified to include current revenues and expenses, 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 \$212,398 and an operating ratio of

115.7 percent. Had the sought rates been in effect during the test year applicant would have sustained a loss of \$109,067 and an operating ratio of 107.5 percent.

Notice of the proposed increase was sent to each of applicant's storers. No objection to the granting or the application has been received.

Findings

1. Applicant's rates were last adjusted by Decision 85598 dated March 23, 1976, in Application 56060.

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 \$103,331 and an operating ratio of 107.5 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. Northern California Warehouse, Inc. is authorized to establish the increased rates proposed in Application 57103. 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 12th
day of APRIL, 1977.

Rolant Batmang
President
William Synovae Jr.
Vernon L. Sturgeon
Alon
Richard D. Howell
Commissioners