

ORIGINAL

Decision No. 87986 OCT 12 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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

Application No. 57489
(Filed August 2, 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 3 Cal.P.U.C. Nos. 1 and 3, respectively.

Applicant requests authority to increase its rates and charges by 29.6 percent. 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's rates were last adjusted pursuant to authority granted by Decision 87204 dated April 12, 1977 in Application 57103.

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 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 \$258,195 and an operating ratio of 119.7 percent. Had the sought rates been in effect during the test year applicant would have realized a profit of \$78,124 and an operating ratio of 95.7 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 87204 dated April 12, 1977, in Application 57103.

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 \$516,697 and an operating ratio of 95.7 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 57489. 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 12 day of OCTOBER, 1977.

Robert Bateman

President

William Squares Jr

Veronica L. Sturgeon

Richard D. Howell

Clare T. DeBruin
Commissioners