

ORIGINAL

Decision No. 88065 NOV 1 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of CONTINENTAL WAREHOUSE, INC.)	Application No. 57591
for an increase in Rates.)	(Filed September 28, 1977)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at Burlingame. The rates, rules and regulations governing applicant's operations are contained in its Warehouse Tariff No. 1, Cal.P.U.C. No. 1.

Applicant requests authority to increase its rates for storage by 15 percent and charges other than storage by 20 percent. The requested rate increase is expected to yield an increase in revenue of 17.6 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 84693 dated July 22, 1975 in Application 55651.

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 C, 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 costs and revenue should the application be granted. The exhibit discloses that during the test year applicant realized a profit of \$6,134

and an operating ratio of 96.8 percent. Had the sought rates been in effect during the test year applicant would have realized a profit of \$10,915 and an operating ratio of 95.1 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 84693 dated July 22, 1975, in Application 55651.
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 \$33,587 and an operating ratio of 95.1 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. Continental Warehouse, Inc. is authorized to establish the increased rates proposed in Application 57591. 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

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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 1st day of NOVEMBER, 1977.

Robert Babayan
President
William J. Grouse, Jr.
Terrence L. Stulgen
Richard D. Chavalla
Clair J. Deloria
Commissioners