

ORIGINAL

Decision No. 88911 MAY 31 1978

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Tab Transportation, Inc.,)
seeking authority to increase)
rates for its account in Western)
Motor Tariff Bureau, Inc.,)
Agent, Warehouse Tariff No. 1)
and Tab Transportation, Inc.,)
Warehouse Tariff No. 1, appli-)
cable for storage and handling)
in Southern California.)

Application No. 57999
(Filed April 14, 1978)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at Bell Gardens, California. The rates, rules and regulations governing applicant's operations are contained in Western Motor Tariff Bureau Warehouse Tariff No. 1 and Tab Transportation, Inc. Warehouse Tariff No. 1.

Applicant requests authority to increase its rates for storage by nine percent, and its rates for handling by ten 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 87421 dated June 1, 1977 in Application 57231.

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 ending December 31, 1977 with expenses revised to incorporate current costs and 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 \$3,744 and an operating ratio of 101.4 percent. Had the sought rates been in effect during the test year applicant would have realized a profit of \$22,516 less additional expense of \$21,954 projected by applicant, resulting in a net profit of \$562 and an operating ratio of 99.8 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 87421 dated June 1, 1977, in Application 57231.
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 \$26,260 and an operating ratio of 99.8 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. Tab Transportation, Inc. is authorized to establish the increased rates proposed in Application 57999. 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

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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 thirty days after the date hereof.

Dated at San Francisco, California, this 31st day of
MAY, 1978.

Robert Batmanglich
President
William J. Brown Jr.
Vernon L. Sturgeon
Richard D. Goss

Commissioners

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.