

Decision No. 89038 JUN 27 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of PACIFIC COAST SERVICE CO. for )  
an Increase in Rates. )

Application No. 58054  
(Filed May 8, 1978)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at South San Francisco. The rates, rules and regulations governing applicant's operations are contained in Pacific Coast Service Co. (PCSC) Warehouse Tariffs Nos. 1 and 2, Cal. P.U.C. Nos. 1 and 2, respectively.

Applicant requests authority to increase rates in PCSC Warehouse Tariff No. 1, P.U.C. No. 1 for storage by 15 percent and for all other services by 20 percent, and to increase rates for all services, other than storage, by 20 percent in PCSC Warehouse Tariff No. 2, Cal. P.U.C. No. 2. The requested rate increases have 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 86471 dated October 5, 1976 in Application 56628.

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 April 30, 1978 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 \$1,672 and an operating ratio of 102 percent. Had the sought rates been in effect during the test year applicant would have realized a profit of \$4,019 after taxes and an operating ratio of 95 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 86471 dated October 5, 1976, in Application 56628.
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 increases sought herein applicant estimates it will realize additional revenue of \$17,330 and an operating ratio of 95 percent after taxes.
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 Service Co. is authorized to establish the increased rates proposed in Application 58054. 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 27<sup>th</sup> day of JUNE, 1978.

President  
William J. Quinn, Jr.  
Vernon L. Sturgeon  
Robert P. Gault  
Clair T. Delucchi  
Commissioners

Commissioner Robert Batinovich, being necessarily absent, did not participate in the disposition of this proceeding.