

DC/FS

Decision No. 89293 AUG 22 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Dart Public Warehouse, Inc.,)
seeking authority to increase)
rates for its account in Western)
Motor Tariff Bureau, Inc., Agent,)
Warehouse Tariff Nos. 1 and 2)
applicable for storage and handling)
in Southern California.)

Application No, 58224
(Filed July 13, 1978)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at Vernon. The rates, rules and regulations governing applicant's operations are contained in Western Motor Tariff Bureau, Inc., Agent, Warehouse Tariff Nos. 1 and 2, Cal. P.U.C. Nos. 35 and 36, respectively.

Applicant requests authority to increase rates for storage and handling to yield a 10 percent increase in revenue. Applicant has, without consultation with any other party, determined the level of increase sought, and has taken into consideration anticipated savings in rental costs due to the lower property taxes made possible through the recent enactment of Proposition 13.

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

Applicant's rates were last adjusted pursuant to authority granted by Decision 87728 dated August 16, 1977 in Application 57349.

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, together with adjustments to reflect the proposed increase in revenue, with expenses revised to reflect current costs, should the application be granted. The exhibit discloses that during the test year, applicant realized a profit of \$1,437 and an operating ratio of 99.6 percent. Had the sought rates and current expenses been in effect during the test year, applicant would have realized a profit of \$17,375 and an operating ratio of 95.9 percent.

Notice of the proposed increase was sent to each of applicant's storers. The application was listed on the Commission's Daily Calendar of July 18, 1978. No objection to the granting of the application has been received.

Findings

1. Applicant's rates were last adjusted by Decision 87728 dated August 16, 1977, in Application 57349.

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 \$38,769 and an operating ratio of 95.9 percent.

4. The proposed increase in applicant's rates and charges have been shown to be justified.

5. A public hearing is not necessary.

IT IS ORDERED that:

1. Dart Public Warehouse, Inc. is authorized to establish the increased rates proposed in Application 58224. 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 one day after the effective date of this order on not less than one day's notice to the Commission and to the public.

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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 thirty days after the date hereof.

Dated at San Francisco, California, this 2nd day
of AUGUST, 1978.

Robert R. Brown
President
William J. Brown, Jr.
Vernon L. Sturgeon

Commissioners

Commissioner Richard D. Cravollo, being necessarily absent, did not participate in the disposition of this proceeding.

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