

DC/FS

Decision No. 89437 SEP 19 1978

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of STATE CENTER WAREHOUSE for) Application No. 58278
an Increase in Rates.) (Filed August 4, 1978)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at Fresno. The rates, rules and regulations governing applicant's operations are contained in its Warehouse Tariff No. 4, Cal. P.U.C. No. 4.

Applicant requests authority to increase its rates to yield a 14.4 percent increase in revenue. 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 86897 dated January 25, 1977 in Application 56882.

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 June 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 \$11,052 and an operating ratio of 107.8 percent. Had the sought rates been in effect during the test year applicant would have realized a profit of \$9,347 and an operating ratio of 94.2 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 86897 dated January 25, 1977, in Application 56882.
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 \$20,399 and an operating ratio of 94.2 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. State Center Warehouse is authorized to establish the increased rates proposed in Application 58278. 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.
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.

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The effective date of this order shall be thirty days after the date hereof.

Dated at San Francisco, California, this 19th day of SEPTEMBER, 1978.

President
William J. ...

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Robert P. ...

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Commissioners

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