

ORIGINALDecision No. 90183 APR 10 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application)
 California Cartage Warehousing)
 Co., a Division of California)
 Cartage Company, Inc., seeking)
 authority to cancel rates for)
 its account in Western Motor)
 Tariff Bureau, Inc., Agent, Ware-)
 house Tariff Nos. 1 and 2 appli-)
 cable for storage and handling)
 in Southern California, and in-)
 crease rates for its account in)
 California Cartage Warehouse Co.)
 (A division of California Cartage)
 Company, Inc.) Warehouse Tariff)
 1, Cal. P.U.C. 1.)

Application No. 58697
 (Filed February 22, 1979)

OPINION AND ORDER

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

Applicant requests authority to increase its rates by 9 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 reasonable profit.

Applicant's rates were last adjusted pursuant to authority granted by Decision 87386 dated May 24, 1977 in Application 57158.

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, 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 realized a profit of \$6,679 and an operating ratio of 98.8 percent. Had the sought rates been in effect during the test year applicant would have realized a profit of \$55,742 and an operating ratio of 90.6 percent. The proposal is within the President's wage-price guidelines.

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 87386 dated May 24, 1977, in Application 57158.

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 \$49,063 and an operating ratio of 90.6 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. California Cartage Warehousing Co. is authorized to establish the increased rates proposed in Application 58697. 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 10th day of APRIL, 1979.

John E. Conroy
President
Vernon L. Sturgeon
Robert C. Grock
Philip J. DeLoach
James W. Jones
Commissioners