

ORIGINAL

Decision No. 90251 APR 24 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of WALTON DISTRIBUTION SERVICES,)	Application No. 58721
INC. for an Increase in Rates.)	(Filed March 6, 1979)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of general commodities at Oakland. The rates, rules and regulations governing applicant's operations are contained in Walton Distribution Services, Inc., Warehouse Tariffs Nos. 1 and 4, Cal. P.U.C. Nos. 1 and 4, respectively.

Applicant requests authority to increase its rates by seven percent. The requested rate increase has been determined by applicant without consultation or agreement with any other warehouseman and is within the President's wage-price guidelines.

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 88682 dated April 4, 1978, in Application 57897.

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 December 31, 1978 together with adjustment to reflect the proposed increase in revenue should the application be granted. The exhibit discloses that during the test year, as modified to reflect current costs, applicant would have realized a profit of \$19,735 and an operating ratio of 98 percent. Had the sought rates been in effect during the test year, applicant would have realized a profit of \$61,065 and an operating ratio of 94.1 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 88682 dated April 4, 1978, in Application 57897.

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 \$95,575 and an operating ratio of 94.1 percent.

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

5. A public hearing is not necessary.

The Commission concludes that the application should be granted as set forth in the ensuing order.

IT IS ORDERED that:

1. Walton Distribution Services, Inc. is authorized to establish the increased rates proposed in Application 58721. 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.

A. 58721 - FS

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

Dated at SAN FRANCISCO, California, this 24th day of APRIL, 1979.

John E. Bryson
President

Thomas L. Stinson

Richard D. Howell

Walter J. ...

James M. ...
Commissioners