

**ORIGINAL**Decision No. 90529 JUL 3 1979

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )	
of Beckman Express & Warehouse )	Application No. 58888
Co. for an Increase in Rates. )	(Filed May 24, 1979)

OPINION AND ORDER

Applicant is a California corporation and a public utility warehouseman for the storage of general commodities at Berkeley. The rates, rules and regulations governing applicant's operations are contained in Beckman Express & Warehouse Co., Warehouse Tariffs Nos. 1 and 2, Cal. P.U.C. Nos. 1 and 2.

Applicant requests authority to increase its rates and charges for storage and for other than storage. The requested rate increase of fifteen percent 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 86589 dated November 2, 1976, in Application 56711.

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 period from January 1, 1978 to December 31, 1978 together with adjustments to reflect the proposed increase in revenue should the application be granted. The exhibit discloses that during the involved period applicant sustained a loss of \$6,822 and an operating ratio of 108.7 percent. Projected results for the above period with expenses revised to reflect current

costs and with the sought increases in rates would result in an operating ratio of 99.5 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 86589 dated November 2, 1976, in Application 56711.

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 its profit before taxes will be \$490 and an operating ratio of 99.5 percent.

4. Without the additional revenue, losses would result in undue hardship to applicant. Therefore, the increase meets the exception to the President's wage-price guidelines.

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

6. 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. Beckman Express and Warehouse Co. is authorized to establish the increased rates proposed in Application 58888. 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 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 3rd day of JULY, 1979.

John E. Bryan  
President  
Vernon L. Shurgan  
Richard D. Howell  
Clare J. DeWick  
Donald W. Quinn  
Commissioners