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Decision No. 91157 DEC 16 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION OF GUERIN DRAYAGE CO.,)
INC. for approval of warehouse)
rate increase.)

Application No. 59184
(Filed October 4, 1979)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of furniture and commodities generally handled in connection with furniture within the City and County of San Francisco. The rules and regulations governing applicant's operations are contained in Guerin Drayage Co., Inc. (GUERIN) Warehouse Tariff No. 1, Cal. P.U.C. No.1.

Applicant requests authority to increase its rates by approximately 12.5 percent. The requested 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 experienced an operating loss of \$11,755 during the first six months of 1979 and continued losses would result in undue hardship to applicant; therefore the increases meet the criteria for exception to the President's price guidelines.

Applicant's rates were last adjusted pursuant to authority granted by Decision 78659 dated May 11, 1971 in Application 52536.

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.

A letter submitted by applicant contains revenue and expense data for the first six months of 1979, together with

adjustments to reflect the proposed increases in revenue should the application be granted. The letter disclosed that during the first six months of 1979 applicant sustained a loss of \$11,755. Had the sought rates been in effect during this period Guerin would have realized a profit of approximately \$3,588, and an operating ratio of 97 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 granted by Decision 78659 dated May 11, 1971, in Application 52536.
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 \$16,272 and an operating ratio of 97.0 percent.
4. The proposed increases in applicant's rates and charges have been shown to be justified.
5. A public hearing is not necessary.

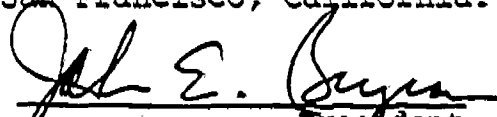
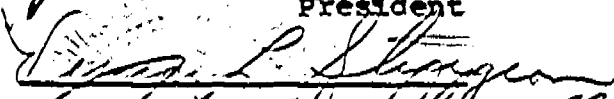
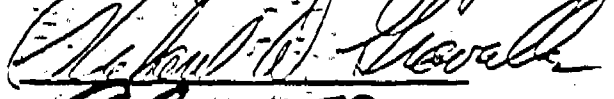
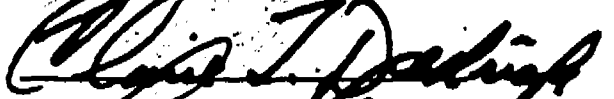
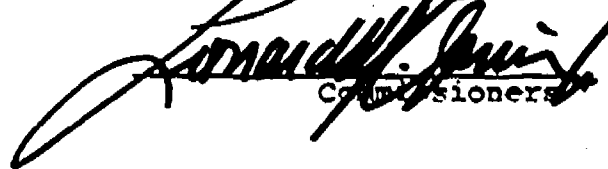
IT IS ORDERED that:

1. Guerin Drayage Co., Inc. is authorized to establish the increased rates proposed in Application 59184. 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 DEC 18 1979, at San Francisco, California.


President




Commissioners