

Decision No. 91212 JAN 6 - 1980

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of MARCANTELLI WAREHOUSE CO., )  
INC. for an Increase in Rates. )

Application No. 59263  
(Filed November 13, 1979)

OPINION AND ORDER

Marcantelli Warehouse Co., Inc., a corporation, 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 California Warehouse Tariff Bureau Warehouse Tariff No. 48-A, Cal. P.U.C. No. 253 of Jack L. Dawson, Agent.

Applicant requests authority to increase its rates and charges by an average of twenty percent for storage and handling charges. 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 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. Applicant has experienced operating losses in four out of the last five years and continued losses would result in undue hardship to applicant; therefore, the increases meet the criteria for exception to the President's wage-price guidelines.

Applicant's rates were last adjusted pursuant to authority granted by Decision 83246 dated August 6, 1974, in Application 54589.

Exhibit C attached to the application, contains revenue and expense data for the test year ended March 31, 1979 together with adjustments to reflect the proposed increases in revenue should the application be granted. The exhibit discloses that during the

test year, at the sought rates, applicant would have realized a profit of \$6,790 and an operating ratio of 93.5 percent after taxes.

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 83246 dated August 6, 1974, in Application 54589.
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 a profit of \$6,790 and an operating ratio of 93.5 percent after taxes.
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 and the effective date of this order should be the date hereof because there is an immediate need for this rate relief.

IT IS ORDERED that:

1. Marcantelli Warehouse Co., Inc., a corporation, is authorized to establish the increased rates proposed in Application 59263. 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 or 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 is the date hereof.

Dated JAN 8 1980, at San Francisco, California.

*John E. Gynon*  
President

*Richard E. Gosh*

*Charles T. Gosh*

*Richard E. Gosh*  
Commissioners