

JAN 8 - 1980

Decision No. 91217

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Los Angeles Transport & Ware-)
house Co., seeking authority)
to increase rates for its account)
in Western Motor Tariff Bureau,)
Inc., Agent, Warehouse Tariff)
No. 1 and Los Angeles Transport)
& Warehouse Co., Warehouse)
Tariff No. 1 applicable for)
storage and handling in Southern)
California.)

Application No. 59155
(Filed September 21, 1979)
(Amended December 3, 1979)

OPINION AND ORDER

Applicant is a California corporation and a public utility warehouseman for the storage of general commodities in its warehouse located at Vernon.

Applicant requests authority to increase its rates by six (6) percent. It seeks to implement this increase by having its tariff agent, Western Motor Tariff Bureau, Inc., file a surcharge supplement to the agency's Warehouse Tariff No. 1, Cal P.U.C. No. 35. Applicant also seeks authority to cancel its own tariff, Los Angeles Transport & Warehouse Co., Warehouse Tariff No. 1 Cal P.U.C. No. 1, and publish, in lieu thereof, an individual tariff Los Angeles Transport & Warehouse Co., Warehouse Tariff No. 2.

The requested rate increase has been determined by the warehouseman without consultation or agreement with any other warehouseman.

Applicant alleges that its present rates are no longer compensatory due to increased costs of labor, power, taxes and other operating costs.

Applicant's rates were last adjusted pursuant to authority granted by Decision 87147, dated March 29, 1977, in Application 56986.

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, as amended, 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, as amended, be granted. The exhibit discloses that during that period applicant realized a profit of \$13,751 and an operating ratio of 93.6 percent. Projected results for the above period, with expenses revised accordingly to reflect both the current costs and the proposed rates, would result in an operating ratio of 93.6 percent. The increases conform to the President's wage-price guidelines.

Notice of the proposed increases were sent to each of applicant's storers. No objection to the granting of the application, as amended, has been received.

Findings

1. Applicant's rates were last adjusted by Decision 87147 dated March 29, 1977, in Application 56986.
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 will be \$14,576, and an operating ratio of 93.6 percent.
4. The proposed increases in applicant's rates and charges have been shown to be justified.
5. A public hearing is not necessary.

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

IT IS ORDERED that:

1. Los Angeles Transport & Warehouse Co., a corporation, is authorized to establish the increased rates as specifically proposed in Application 59155. 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 JAN 8 - 1980, at San Francisco, California.

John E. Burns
President

James P. Sturgeon

Richard W. Howell

Clare J. Kelly

Lawrence J. Quinn
Commissioners