

91293 JAN 29 1980

ORIGINAL

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Orange Freight Consolidators)
seeking authority to increase)
rates for its account in Western)
Motor Tariff Bureau, Inc., Agent,)
Warehouse Tariff No. 1 applicable)
for storage and handling in)
Southern California.)

Application No. 59313
(Filed December 3, 1979)

OPINION AND ORDER

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

Applicant requests authority to increase its rates by twenty (20) 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.

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

Applicant's rates were last adjusted pursuant to authority granted by Decision 84840, dated August 26, 1975, in Application 55488.

Applicant alleges that its present rates are no longer compensatory due to increased costs of labor, power, taxes and other operating costs experienced since September 1975.

Applicant further alleges that additional revenue is required because of the aforementioned increased costs in all phases of its operation, the most significant being the increased cost of plant and clerical labor. Applicant is currently experiencing operating losses 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.

Exhibit B, attached to the application contains revenue and expense data for the year ending September 30, 1979, together with adjustments to reflect the proposed increase in revenue should the application be granted. The exhibit discloses that during that period applicant sustained a loss of \$59 and an operating ratio of 101.1 percent. Projected results for the above period, with expenses and revenues revised to reflect both the current costs and the proposed rates, would result in an operating ratio of 92 percent.

Notice of the proposed increases were 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 84840 dated August 26, 1975, in Application 55488.
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 \$570, and an operating ratio of 92 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 should be granted as set forth in the ensuing order.

IT IS ORDERED that:

1. Orange Freight Consolidators, a corporation, is authorized to establish the increased rates as specifically proposed in Application 59313. Tariff publications authorized to be made as a

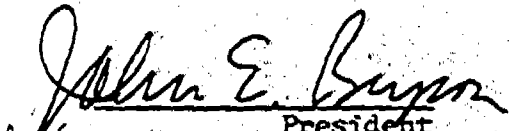
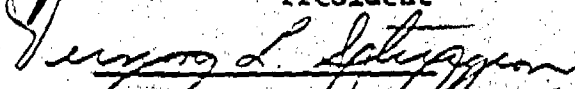
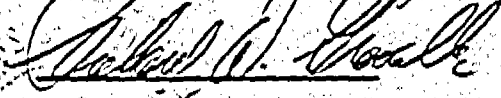
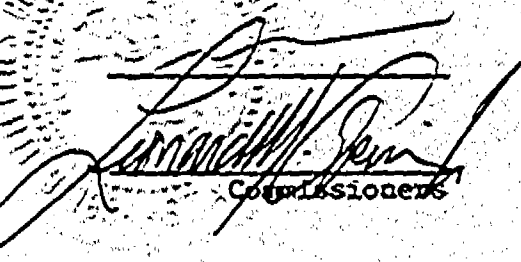
result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and to the public.

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 29 1980, at San Francisco, California.


President



Commissioners

Commissioner Claire T. Dedrick, being necessarily absent, did not participate in the disposition of this proceeding.