

Decision No. 91443 MAR 18 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of AMERICAN WAREHOUSE CO., INC. )      Application No. 59363  
for an Increase in Rates.         )      (Filed January 4, 1980)

OPINION AND ORDER

Applicant, American Warehouse Co., Inc., is a California corporation and a public utility warehouseman for the storage of general commodities at Fresno. The rates, rules and regulations governing applicant's operations are contained in American Warehouse Co., Inc. Warehouse Tariff No. 1, Cal. P.U.C. No. 1.

Applicant requests authority to increase its rates and charges for storage and for other than storage. The requested rate increase of 8.9 percent has been determined by applicant without consultation or agreement with any other warehouseman and is within the President's wage-price guidelines.

Applicant alleges that its present rates do not yield sufficient revenue to allow it to conduct its warehouse operations at a reasonable 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's rates were last adjusted pursuant to authority granted by Decision 88740 dated April 18, 1978, in Application 57876.

Exhibit C, attached to the application, contains revenue and expense data for the period from January 1, 1979 to October 1, 1979 together with adjustments to reflect the proposed increase in revenue should the application be granted. The exhibit discloses that during that period applicant had a profit of \$43,036 and an operating ratio of 91.3 percent. Projected results for the above period with expenses revised to reflect current costs with the sought rates would result in an operating ratio of 91.6 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 88740 dated April 18, 1978 in Application 57876.

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 after taxes will be \$45,020 and an operating ratio of 91.6 percent.

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.

IT IS ORDERED that:


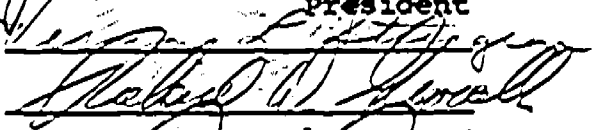
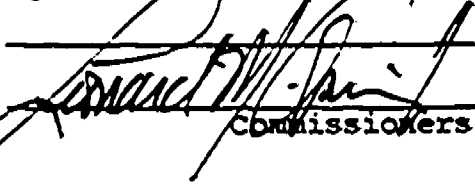
1. American Warehouse Co., Inc., is authorized to establish the increased rates as specifically proposed in Application 59363. Tariff publications authorized to be made as a result of this order shall be filed not earlier than the effective date of this order and may be made effective not earlier than 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 MAR 18 1980, at San Francisco, California.

  
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President  
  
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Commissioners

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