

Decision No. 91767 MAY 6 1980

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Walton Distribution Services,)
Inc. for an Increase in Rates.)

Application No. 59467
(Filed February 21, 1980)

OPINION AND ORDER

Applicant, Walton Distribution Services, Inc., is a California corporation and a public utility warehouseman for the storage of general commodities at Oakland. The rates, rules and regulations governing applicant's operations are contained in Walton Distribution Services, Inc., Warehouse Tariffs Nos. 1 and 5, Cal. P.U.C. Nos. 1 and 5, respectively.

Applicant requests authority to increase its rates and charges for storage and for other than storage by 10.6 percent. The requested rate increase 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 85603 dated March 23, 1976, in Application 56137.

Exhibit C, attached to the application, contains revenue and expense data for the period from January 1, 1979 to December 31, 1979 together with adjustments to reflect the proposed increase in revenue should the application be granted. The exhibit discloses that during that period applicant realized a profit after taxes

of \$33,028 and an operating ratio of 96.8 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 95.1 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 85603 dated March 23, 1976, in Application 56137.
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 \$58,363 and an operating ratio of 95.1 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. Walton Distribution Services, Inc. is authorized to establish the increased rates proposed in Application 59467. 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.

Proposed filing
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3. Nothing in this opinion and order constitutes a finding of fact regarding the reasonableness of any particular rate or charge filed pursuant to this order, and applicant(s), by reason of this declaration, has (have) no ground to contend to the contrary in any proceeding under Section 734 of the Public Utilities Code or in any other proceeding.

The effective date of this order shall be thirty days after the date hereof.

Dated MAY 6 1980 , at San Francisco, California.

John E. Bruno
President

Norman L. Sturgeon

Richard W. Howell

Charles J. DeLuca

Terrence J. ...
Commissioners