

TD-15

A. 59925 - T/DC/FS \*

Decision No. 92434 NOV 18 1980

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of VALLEY BEAN WAREHOUSE, INC., )  
A California corporation, con- )  
ducting warehouse operations at )  
Stockton, California, for Authority )  
to Increase Rates, Establish Tariff )  
and Secure Accounting Procedure )  
Variance. )

ORIGINAL

Application No. 59925  
(Filed September 4, 1980)

OPINION AND ORDER

Applicant is a public utility warehouseman for the storage of agricultural commodities at Stockton. The rates, rules and regulations governing applicant's operations are contained in California Warehouse Tariff Bureau Warehouse Tariff No. 38-A, Cal. P.U.C. No. 267, Jack Dawson, Agent.

Applicant requests authority to increase its rates to yield an 86 percent increase in revenue, to publish these rates in an individual tariff, and to continue its current procedure of fiscal accounting. 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 labor, power, and other operating costs. Applicant has experienced operating losses for the

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past several 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 83368 dated August 27, 1974 in Application 52547.

Exhibit B, attached to the application, contains revenue and expense data for the test year ended June 30, 1980 together with adjustments to reflect the proposed increase in revenue should the application be granted. The exhibit discloses that during the test year, applicant would have sustained a loss of \$35,000 and an operating ratio of 146.

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 83368 dated August 27, 1974 in Application 52547.

2. Since applicant's rates were last adjusted, applicant has experienced increases in expenses, the most significant being the increased cost of labor, power and other operating costs.

3. Under the increase sought herein, applicant estimates it will realize additional revenue of \$34,736 with a projected loss of \$35,000 and an operating ratio of 146.

4. The proposed increase in applicant's rates and charges has been shown to be justified.

5. The proposed continuance in fiscal accounting procedure will assure applicant's economy of continuous operation and the avoidance of expense and delay of a costly change in accounting procedures.

6. A public hearing is not necessary.

IT IS ORDERED that:

1. Valley Bean Warehouse, Inc. is authorized to establish the increased rates and to continue its current fiscal accounting procedure proposed in Application 59925. 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 granted by this order shall expire unless exercised within ninety days after the effective date of this order.

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, by reason of this declaration, has no ground to contend to the contrary in any proceeding under Section 734 of the Public Utilities Code, or in any other proceeding.

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The effective date of this order shall be ~~thirty~~<sup>is</sup> days after  
the date hereof. ←  
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Dated NOV 18 1980, at San Francisco, California.

John E. Byrne  
President

James P. Stinson

Richard D. Marshall

Clair T. Edwards

James M. Smith  
Commissioners