

Decision No. 16890

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
G. W. Gottwals, operating a public)
warehouse at Tudor for permission)
to increase season storage rates on)
Grains and Beans to \$1.25 per ton)
per season, and to establish Rules)
and Regulations.)

APPLICATION NO. 12750.

L. A. Bailey, for Applicant.

BY THE COMMISSION:

O P I N I O N

This is an application filed by G. W. Gottwals, an individual, operating a public warehouse at Tudor, Sutter County, California, seeking permission to establish and maintain for the storage, receiving, weighing, piling, unpling and carloading of grain and beans, in sacks, a season storage rate of \$1.25 per ton of 2000 pounds. Permission is also requested to establish the rules and regulations shown in Exhibit "A" of the application to govern the storage and handling service rendered.

A public hearing was held before Examiner Geary at Marysville May 24, 1926 and the application having been duly submitted is now ready for our opinion and order.

Applicant has been engaged as a public warehouseman at Tudor for the past thirteen years. The present warehouse has a storage capacity of 4000 tons and represents a capital investment

including spur tracks, scales, elevators and other facilities, of approximately \$25,000.00. The principal commodities stored are grain and beans, these two commodities including about 78 per cent of the total tonnage handled in 1923; 94 per cent in 1924, and 100 per cent in 1925.

The season rate now in effect for the storage of grain and beans is \$1.00 per ton of 2000 pounds, which rate includes the incidental service, such as receiving, weighing, piling, unpling and car loading. Applicant contends that this rate, established in 1918, is inadequate and insufficient under present conditions to defray operating expenses and net a reasonable return on the moneys invested.

During the year 1925 the operating revenue received was \$4504.46 and the operating expenses, excluding interest on the capital investment, were \$5899.45, resulting in an operating loss of \$1394.99. In 1923 the operating results showed a net gain of \$432.34, a return of less than 2 per cent on the capital investment, and during 1924 applicant suffered an operating loss of \$22.27.

Applicant's Exhibit "A" shows that the season rates on grain and beans maintained by approximately sixty warehouses in the Sacramento Valley, rendering the same incidental services, with a few exceptions range from \$1.25 per ton to \$1.86 per ton on grain and from \$1.25 per ton to \$2.00 per ton on beans.

The rules and regulations proposed are practically those maintained by the major warehouses in this territory and are primarily for the purpose of clearly setting forth the privileges and conditions under which the handling and storing of

these commodities will be performed.

Upon consideration of all the facts of record we are of the opinion and find that applicant should be permitted to increase the rate now published for the storage and handling of grain and beans, in sacks, from \$1.00 per ton of 2000 pounds per season, to \$1.25 per ton of 2000 pounds per season and to establish and maintain the rules and regulations shown in Exhibit "A" of the application.

O R D E R

This application having been duly heard and submitted, full investigation of the matters and things involved having been had and basing this order on the findings of fact and conclusions contained in the opinion, which said opinion is hereby referred to and made a part hereof,

IT IS HEREBY ORDERED that applicant, G.W.Gottwals, an individual, be, and he is hereby, authorized to establish by proper tariff publication, and to thereafter maintain at warehouse located at Tudor, California for the storage, receiving, weighing, piling, unpling and carloading of grain and beans a rate of \$1.25 per ton of 2000 pounds per season, ending May 31 of each year, and to concurrently publish and maintain the rules and regulations set forth in Exhibit "A" attached to and made part of the application.

Dated at San Francisco, California, this 11th day of

June, 1926.

H. B. Brundage
C. Seavey
Leon Whitall

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Commissioners.