

Decision No. _____

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application
of W. B. AMBROSE, Lessee of Lockes
Warehouse, for permission to in-
crease his storage rates on oats,
wheat, barley, corn and potatoes.

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) Application No. 3068.
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W. B. Ambrose in propria persona.

BY THE COMMISSION:

O P I N I O N

W. B. Ambrose, Lessee of "Locke's Ware-
house", at Lockeford, San Joaquin County, applies for in-
crease in warehouse rates on grain and potatoes which are now
25¢ per month for three months, or 75¢ for the entire season,
June 1st to May 31st following. The rate requested is 50¢
for two months or less and \$1.00^{for} more than two months, or for
the season. The principal justification offered for the increase
sought is alleged loss suffered under the old 25¢ rate for stor-
age of one month or less, and increase in the cost of labor.
A public hearing upon the application was conducted by Examiner
Westover at Lockeford.

The warehouse is a one story brick struc-
ture 60x210, belonging to Mrs. B. M. Locke, for which applicant
pays a rental of \$25 per month. He has occupied it and used
it as a warehouse since 1884 or 1885 with the exception of one
year. Until about five years ago he paid a rental of \$10 per
month. The warehouse business is conducted by applicant in

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connection with his general store. In times of need labor for the warehouse is supplemented by that at the store and vice versa. Patrons in attendance testified to the excellent service rendered by applicant. One patron objected to the increase in rate from 75¢ to \$1.00 for the season, but thought the minimum charge of 50¢ per ton for two months or less justified. He however never stored for less than two months. The same patron presented estimates of cost of labor indicating a total cost of 35¢ per ton for receiving, weighing, piling and delivering in large quantities. Applicant considers this estimate far too low. Applicant has had about 30 patrons during the past year. Of these 16 signed a statement saying they did not object to the increase in rates sought.

A considerable part of the grain stored has heretofore been removed during the first month's storage, the amount depending, of course, upon market conditions. Gross revenue for the last three seasons and the quantities stored for more than two months, and therefore paying the 75¢ rate for the season, and that stored for shorter periods and paying the lower rates, appears in the following table:

	One month 25¢ rate		Two months 50¢ rate		Three months or more 75¢ rate		Gross Revenue
	Tons	Amount	Tons	Amount	Tons	Amount	
1914	277	\$69.25	57	\$28.50	1852	\$1389.00	\$1486.75
1915	269	67.25	52	26.00	1061	795.75	889.00
1916	<u>632</u>	<u>158.00</u>	<u>270</u>	<u>135.00</u>	<u>654</u>	<u>490.50</u>	<u>783.50</u>
	1178	\$294.50	379	\$189.50	3567	\$2675.25	\$3159.25

It appears that applicant has for years made as often as requested small deliveries of grain, frequently

only a few bags at a time. No extra charge has been made for these deliveries on retail sales. The cost of this particular service could not be shown.

The cost of operating the warehouse or of handling and storing grain in the usual way could not be shown with accuracy, as no separate set of books has been kept. The items of the warehouse accounts are mingled with the accounts. Petitioner should hereafter keep its warehouse accounts separately of the general store. Generally two men, a boy and a horse are employed at the warehouse for about three months of the season; with two or three additional men from time to time as needed. Last year truckers and pilers received \$2.50 per day and this year pilers are paid \$3.00 per day.

Estimates of the cost of operation based upon the testimony indicate that the average storage of the last three years at the rates requested, will produce a net return of less than \$40 per month to cover management and overhead expenses.

O R D E R

W. B. AMBROSE having applied to the Railroad Commission for authority to increase warehouse rates on grain and potatoes, and a public hearing having been held thereon and the matter being now ready for determination,

IT IS HEREBY FOUND AS A FACT that the rates heretofore charged by applicant are non-compensatory and unreasonable and that the rates hereinafter provided are fair and reasonable rates, and basing its conclusions upon the above findings of fact and upon the findings contained in the opinion which precedes this order,

IT IS HEREBY ORDERED that W. B. Ambrose

be and he is authorized and empowered to charge and collect immediately after filing with the Commission schedule or tariff thereof, the following rates for storage of grain and potatoes in what is known as Lockes Warehouse at Lockeford, San Joaquin County, to wit:-

For two months or less 50¢ per ton.

For more than two months or for the season June 1st to May 31st following, \$1.00 per ton.

The collection of above rates shall be conditioned upon the rendering of first-class service in receiving, weighing, piling, carrying in storage, resacking, loading into cars, and such other service as it is customary for warehousemen similarly situated to render.

Dated at San Francisco, California, this 21st
day of August, 1917.

Man Thelen
W. H. Forster
W. H. Gordon
Frank P. Devlin
Commissioners.