

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the matter of the Application)
of Shafter Warehouse Company for)
authority to increase warehouse)
rates at Shafter.)

APPLICATION NO.4622

In the matter of the Application)
of J. T. Compton for authority to)
increase warehouse rates at Pixley.)

APPLICATION NO.4623

In the matter of the Application)
of Tulare Lake Dredging Company)
for authority to increase rates)
at Guernsey.)

APPLICATION NO.4627

W. E. Hitchcock, for Shafter Warehouse Co.
J. T. Compton, in propria persona.
K. Vanzandt, for Tulare Lake Dredging Co.

MARTIN, Commissioner, -

O P I N I O N

Applicants herein operate public warehouses in upper San Joaquin Valley within a radius of approximately twenty five miles as follows:

- Shafter Warehouse Company at Shafter in Kern County.
- J. T. Compton " Pixley " Tulare County.
- Tulare Lake Dredging Co. " Guernsey" Kings County.

Grain is the principal commodity stored in the district, and rate schedules now on file with the Commission show that the usual charges for season storage are now on the same basis at the three warehouses involved, - being \$1.00 per ton, - except that Shafter Warehouse Company charges \$1.25 per ton on lots less than 5 tons, and Lake Tulare Dredging Company publishes an additional rate of 50 cents per ton for the second season. Rates charged by applicants for less than season periods vary, as also does the rate for loading through warehouses. Shafter Warehouse

alone has in effect rates for the storage of potatoes and onions and for miscellaneous storage.

Lake Tulare Dredging Company and J. T. Compton ask for an advance from \$1.00 per ton in straight first-season rates for grain to \$1.25 per ton, while Shafter Warehouse Company requests \$1.50 per ton per season for quantities of grain over 5 tons and \$1.75 per ton for lots less than 5 tons; this applicant also seeks to increase rates covering potatoes and onions handled through its warehouse and for storage for 5-day periods, to a maximum of 50%, and practically the same increase for miscellaneous storage.

The proposed advances are based upon alleged increased operating costs, with special reference to labor, the experience of these small warehouse concerns being about the same as other warehouse companies in San Joaquin Valley, - as shown by the Commission's record in Applications 4614, et al, - with respect to the percentage of increases paid for labor within the past two years. The record also shows that labor is even more difficult to obtain due to the fact of more or less isolated communities, limited capacity of warehouses, and impracticability of maintaining regular warehouse crews. Operating statements submitted with the applications show receipts and expenditures as follows:

	<u>Shafter Wase. Co.</u>	<u>J. T. Compton</u>	<u>Tulare Lake Dredging Co</u>
Receipts -	\$1730.86	\$560.18	\$1275.00
Expenses -	<u>1512.05</u>	<u>416.89</u>	<u>1608.00</u>
Balance - (a)	\$ 218.81	(b) \$143.29	(c) \$ 333.00 Loss

(a) 1917 only; (b) Average for 4 years; (c) 1918 only

A hearing was held on these applications on June 6, 1919, at Tulare, at which time testimony was offered by the petitioners in support of their respective requests. No one appeared in opposition to the applications, and witnesses were in entire accord as to the need of applicants for increased warehouse rates in order to meet the additional outlay for labor and materials. From the testimony of applicants it is estimated that increases if authorized on the basis of recommendations made herein will net for the season of 1919 maximum additional revenue as follows:

Shafter Warehouse Co.	\$500.
Tulare Lake Dredging Co.	1250.
J. T. Compton (Pixley Whse.)	200.

Although the petition of Shafter Warehouse Company proposes a schedule of rates some of which are considerably higher than rates sought by the other two applicants, and the testimony, in a way, supported the claim that crop conditions at Shafter are somewhat different from those obtaining at either Guernsey or Pixley, and therefore tending to justify different rates, such testimony, however, was not conclusive on this point; and it is believed that a moderate increase in grain rates conforming to that which may be authorized at the warehouses of the other two applicants herein, will relieve the situation, and together with increases sought for storing other commodities, enable this applicant to operate its warehouse without financial loss. If not, the matter may be covered later by a new application. A uniform schedule of rates will be recommended for the three petitioners, insofar as they are engaged in the same class of storage, all being in the same general district, operating comparatively small warehouses, and on the same footing with reference to securing outside labor.

For the foregoing reasons I am of the opinion that applicants herein should be authorized to increase warehouse rates at their respective warehouses and that such increases should not exceed the schedule of rates set forth in the accompanying order, the form of which I herewith recommend.

ORDER

Shafter Warehouse Company, J. T. Compton and Tulare Lake Dredging Company each having made application to the Railroad Commission for authority to increase and adjust warehouse rates, a hearing having been held thereon, the matter in each instance having been submitted and being now ready for decision,

IT IS HEREBY FOUND AS A FACT, that rates heretofore charged by applicants for warehouse service at their respective places of business, insofar as they differ from the rates set forth in the following schedule, are unjust, unreasonable and non-compensatory for the classes of service indicated;

Basing its order upon the foregoing finding of fact and upon the other facts contained in the opinion preceding this order,

IT IS HEREBY ORDERED, that Shafter Warehouse Company, J. T. Compton, and Tulare Lake Dredging Company be and they are hereby authorized to publish and file within 30 days from date hereof and thereafter collect, rates for warehouse service at their respective warehouses in accordance with the following schedule, which rates are found to be just and reasonable:

SCHEDULE
of
WAREHOUSE RATES

Grain or Rice

Item	
1	Storage - (includes receiving and weighing in)-
	a - 30 days or less, in dump - 50¢ per ton
	b - 30 days " " , when piled 75¢ " "
	c - Season ending May 31 following storage \$1.00 per ton

Grain or Rice cont'd

Item

2 Loading --

- a - From storage to team or car 25¢ per ton
- b - Through warehouse without storage 50¢ " "

Potatoes and Onions

3 Storage -(includes receiving and weighing)-
in

- a - 5 days or less 35¢ per ton
- b - Season ending May 31st follow-
ing storage 1.50 " "

4 Loading -

- a - From storage to team or car 25¢ per ton
- b - Through warehouse without stor-
age 40¢ " "

Miscellaneous Merchandise

5 Storage -

- a - 30 days, or less 10¢ per sq. ft.
of floor space
occupied.
- b - Season ending May 31st 20¢ " " "

6 All warehouse service performed under governmental regulations for the benefit of patrons, or requirements of individual storers, not otherwise provided for herein will be based upon actual cost to warehouseman of labor employed and material used.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 25th day of

June, 1919.

Edwin C. Edgerton

Walter R. Deane

Quinn M. Martin
COMMISSIONERS.