

Decision No. 6479

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application)
of Manteca Warehouse Company for) APPLICATION NO. 4659.
authority to increase warehouse)
rates at Manteca.)

R. C. Minor, for Applicant.

MARTIN, Commissioner.

O P I N I O N

Applicant herein owns and operates three warehouses in the town of Manteca devoted to the storage of beans, grain, hay and sunflower seed; a fourth warehouse recently destroyed by fire is being rebuilt for the storage of hay. Warehouse structures are built of galvanized iron resting on concrete foundations with wood floors, total estimated present value being \$50,000, divided as follows:

| | | |
|----------------|---|----------|
| Warehouse lots | - | \$10,000 |
| Buildings | - | 20,000 |

Applicant desires to increase its warehouse rates by the addition of a loading charge of 25 cents per ton affecting the storage of grain, beans and sunflower seed, and 35 cents per ton for loading out hay; it is also proposed to establish a table of new charges for the storage and handling of alfalfa meal. It is estimated by applicant that the proposed increases, if allowed, will result in additional annual revenue approximating \$750.00.

The application is based upon the allegation that the land upon which the warehouses are located is now within the corporate limits of Manteca, which fact "makes a very material difference in the amount of taxes to be paid"; also that the cost of warehouse labor has advanced from 25 to 60%, truckers formerly receiving \$2.50 per day now being paid \$4.00, and pilers heretofore paid \$3.00 per day now receive \$5.00. There is also, it is alleged, an "extra cost of machinery, gasoline, electric power, and other equipment necessary to carry on the business."

Following is a statement of applicant's receipts and expenditures for the year 1918-19,- the only year's business with record available:

| | | |
|----------|---|------------------|
| Receipts | - | \$3250.15 |
| Expenses | - | 2793.17 |
| Profit | - | <u>\$ 456.98</u> |

A hearing on the application was held at Stockton June 27, 1919, following the usual press announcement and individual notice to applicant's patrons, but no one appeared at the hearing in opposition to the proposed increases. The testimony showed that in addition to the increase in wages, as alleged in the petition, applicant is obliged to pay at present 50% more for machinery, 15% more for electric power and 25% more for gasoline than was paid for these warehouse necessities at the time present rates were established. As to the proposed increase of 35 cents per ton on hay, it was shown by the testimony that a higher charge is justified by reason of the peculiarity of spur track facilities at applicant's warehouse necessitating double handling of hay when loaded out.

For the foregoing reasons I am of the opinion that the application should be granted, and recommend the following form of order.

O R D E R

Manteca Warehouse Company having filed with the Railroad Commission an application for authority to assess certain charges

for the handling of cereals and hay, a hearing having been held thereon, the matter having been submitted and being now ready for decision,

IT IS HEREBY FOUND AS A FACT that the rates and charges assessed by Manteca Warehouse Company are non-compensatory, and that the rates as hereinafter set forth are just and reasonable rates for the service indicated.

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

IT IS HEREBY ORDERED THAT Manteca Warehouse Company be and the same hereby is authorized to publish and file within 30 days from date hereof a schedule showing rates for loading commodities into cars as follows:

| | | | | | |
|---------------------------------|-----------|----|-------|-----|-----|
| Beans, Grain and Sunflower seed | - | 25 | cents | per | ton |
| Hay | - - - - - | 35 | " | " | " |

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 3^d day of July, 1919.

W. D. Loveland
Stewart K. Brown
H. K. Brundage
Orin W. Matton
COMMISSIONERS.