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Decision No. 7671

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the matter of the application
of CALEXICO COMBRESS COMPANY for
authority to adjust and establish
rates for storing and handling cot-
ton at Calexico.

Application No. 5397.

J. S. Larew for applicant.

BY THE COMMISSION:

O P I N I O N

Applicant herein requests authority to establish rates for storing and handling cotton at Calexico, Imperial County.

A public hearing upon the application was held by Examiner Westover at El Centro.

It appears that 74,057 bales of cotton were handled during the year ending June 30, 1919, against 25,757 bales received for the year ending June 30, 1915. During said period, excepting the first year of operation which involved abnormal installation expenses, the cost per bale to operate applicant's plant advanced from \$7191 for the crop handled during the season 1915-16 to \$12083 for the 1918-19 crop, or 68%. The chief item of increased expense is that of labor,

being \$.2794 for the 1915-16 season and \$.5222 for 1918-19, an increase of 87%. Miscellaneous expenses amounting to \$.20 per bale in 1916 rose to \$.4181 for 1919.

Rate schedules filed by applicant in June, 1916, carry rates based upon conditions then existing. These conditions as they affected operating costs were so demoralized by the war that applicant found it necessary to confer with interested growers, bankers and dealers with the view to establishing a higher schedule of charges to meet the additional expense brought about largely by the drafting of labor into government service. The rates which applicant now desires to have approved and established by the Commission are the rates which were agreed upon at said conference and are set forth in the application as Exhibit "I". Through a lack of knowledge of the legal requirements, an application was not previously filed. The schedule of rates for which applicant now asks approval has been in effect without protest since 1918.

It was further shown that the total increase for labor since 1914-15 to date is 100%; that bagging which is used extensively in repair work has advanced more than 100% and that twine, rivets and bands now cost approximately double the prices in effect four years ago. No one appeared at the hearing to oppose the application, both service and charges made therefor being apparently satisfactory.

O R D E R

Calexico Compress Company, a warehouseman, having made application to the Railroad Commission for authority to adjust and establish rates for storing and handling cotton.

A public hearing having been held thereon,

the matter having been submitted and the Commission being now fully apprised,

IT IS HEREBY FOUND AS A FACT that the rates and regulations prepared by applicant are just and reasonable and that the rates to be superseded and cancelled thereby are unjust and non-compensatory.

Based on our order upon the above finding of fact and upon the facts set forth in the opinion preceding this order,

IT IS HEREBY ORDERED that Calexico Compress Company be and it is hereby authorized to file with the Commission within 20 days from date hereof and thereafter charge and collect the rates and charges for storing and handling cotton at Calexico which are set forth in Exhibit I attached to and made part of the application herein.

Dated at San Francisco, California, this

5th day of June 1920.

Edwin O. Edgerton
H. B. ...
Living ...

Commissioners.