

ORIGINAL

Decision No. 7804

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application)
of Forrest A. Plant, for authority)
to increase warehouse rates for) APPLICATION NO.5715
storing and handling grain at)
Davis.)

Forrest A. Plant, in propria persona.

By the Commission -

O P I N I O N

Forrest A. Plant, applicant in this proceeding, operates a public warehouse at Davis, at which is applied a storage rate of \$1.25 per ton per season, the service involved being that customarily performed at grain warehouses including loading into cars. This rate applicant desires to increase to \$1.50 per ton, the same service to continue.

It is alleged in the application that increased operating costs underlie the request, with particular reference to labor, car loaders being now paid at the rate of 65 cents per hour per man against 40 cents per hour paid for the same work during the 1919 season. For handling the incoming grain of last season applicant paid 50 cents per hour per man, and predicts, after a survey of existing conditions, that he will be obliged to pay 75 cents per hour for the 1920 season. Materials and incidental warehouse expense have likewise advanced in price and added to applicant's operating costs accordingly.

The investment in warehouses and equipment approximates \$31,000.00, applicant being one of four heirs having equal undivided interests therein. Rent paid to the estate for the

last three years has averaged about \$1800.00 per year, or 6%. The gross capacity of applicant's warehouses is approximately 8000 tons of grain, the average annual tonnage stored being only about one half of that amount. On a 4000 ton basis,- an estimate which the testimony indicates is not too high for the present season,- applicant would receive \$1000 additional revenue under the proposed increase of 25 cents per ton. In - creased operating costs,- including 50% for the labor of re- ceiving grain and 62½% for loading the same into cars, as claim- ed by applicant,- would approximate \$2700.00 for the 1920 season, which would not only absorb the estimated additional revenue but entail a further debit of \$1700.00 against the utility. This latter amount applied against applicant's average net revenue of \$2378.70 per annum for the years 1917, 1918 and 1919, as shown by annual reports, would leave a balance of \$678.70 to meet contingencies.

One of applicant's patrons appeared at the hearing and made a general statement with reference to the increased cost of farm- ing, but upon interrogation, did not desire to protest against the proposed warehouse rates. Warehouse service appears to be adequate and satisfactory.

The Commission believes that the proposed rates have been justified by applicant and should be authorized.

O R D E R

Forrest A. Plant, a warehouseman, having applied to this Commission for authority to increase rates for storing and hand- ling grain at warehouses located at Davis, a hearing having been held thereon, the matter having been submitted and the Commission being fully advised in the premises,

IT IS HEREBY FOUND AS A FACT that the rate now charged by applicant for warehousing grain at Davis is unjust and non-com- pensatory, and that the rate hereinafter set forth is just

and reasonable for the services involved.

Basing this order upon the foregoing finding of fact and upon statements contained in the opinion preceding this order,

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that Forrest A. Plant, a warehouseman, be and he is hereby authorized to publish, file and place in effect one day thereafter a schedule showing a rate of \$1.50 per ton per season to cover the service of receiving, weighing, storing and loading into cars, grain delivered at his warehouses located at Davis.

Dated at San Francisco, California, this 25th day of
June, 1920.

H. D. Lovelace
Frank R. Deane
H. T. Brundage
Dwight Martin
COMMISSIONERS.