

ORIGINAL

Decision No. 7810

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

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In the Matter of the Application)	
of L. F. Moulton & Company, a co-)	
partnership, for authority to in-)	APPLICATION NO.5680
crease rates for storing and)	
handling grain at El Toro.)	
)	
)	

Scarborough, Forgy & Reinhaus, for applicant.

BRUNDIGE, Commissioner -

O P I N I O N

L. F. Moulton & Company, applicant herein, is a co-partnership engaged primarily in farming some 23,000 acres of land situate in Orange County, in connection with which the co-partnership also operates a public warehouse at El Toro. Approximately one half of the revenue derived from the warehouse business comes from handling the grain and beans produced by applicant's tenants.

Tariffs on file by applicant cover the storage and handling of grain and beans only, the schedule for grain having been filed in August 1918, and that for beans on May 12, 1920. The application contemplates no change in the rates for bean storage. For storing and handling grain, applicant proposes to advance its rates as indicated in the following table:

	<u>1st month</u>		<u>2nd month</u>		<u>Season</u>	
	<u>Pres.</u>	<u>Prop.</u>	<u>Pres.</u>	<u>Prop.</u>	<u>Pres.</u>	<u>Prop.</u>
	<u>rate</u>	<u>rate</u>	<u>rate</u>	<u>rate</u>	<u>rate</u>	<u>rate</u>
Storage, per ton	\$.50	1.00	.25	.50	1.00	2.00
Weighing and loading on cars (through whse), per ton - -		<u>Present rate</u>		<u>Proposed rate</u>		
		\$.25		\$.50		

Authority is also asked for the establishment of rates covering certain specified service not included in applicant's present grain schedule as follows:

Loading cars in excess of established tariff minimum, - on excess, per ton - -	\$.50
Charge for shipping mark, per sack - - - -	.01
Storage for second or subsequent season per ton per month (Maximum season charge per ton, \$2.00) - - - - - - - -	.50
Minimum storage charge - - - - - - - - - -	2.00

Exhibit "A", accompanying the application, in which the desired rates are set out, also embodies rates for cleaning grain for which service the Commission has not heretofore required rates to be filed. No obligation rests upon applicant to file these latter rates nor to ask this Commission for authority to change the same. Rates proposed for warehousing grain^{are} on a parity with applicant's present rates for the storage of beans, which schedule is not affected by this proceeding.

The application is based wholly upon alleged increased operating costs, and cites especially advanced wages paid for warehouse labor.

At the hearing held at Los Angeles June 7, 1920, it was shown that the rates in effect were established prior to the war, since which time operating costs have practically doubled. Applicant has been able to meet the situation in part by temporarily shifting to its warehouse labor usually employed on its ranch. Exhibit No. 1 filed at the hearing shows an investment of \$12,686.05. With reference to operating costs, this exhibit shows the following comparison between prices in effect in 1917 and at the present time.

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	<u>1917</u>	<u>1920</u>
Pilers, per day -	\$ 4.00	\$ 7.50
Truckers, per hour	.30	.60
Other labor, per month (including board)	30.00	60.00
2nd hand bags	.05 per lb.	.10 to 12¢ ea.

Gross revenue received by applicant for 1919 was \$2935.18 against an expenditure of \$2465.40, leaving a net revenue of \$467.78 to apply on an investment approximating \$13,000.00.

Expenditures are made up of the following items:

Labor -	\$1627.22
Rent -	90.00
Insurance -	127.07

Depreciation and repairs -	<u>621.11</u>
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Applicant estimates that warehouse labor for the season 1920 will cost \$3500.00. No testimony was offered in opposition to the proposed increases and no protest has been received from interested parties.

I am of the opinion that the rates requested have been justified and should be authorized, and submit the following form of order.

O R D E R

L. F. Moulton & Company, a co-partnership, having applied to the Railroad Commission for authority to increase and establish rates for storing and handling grain at El Toro, a public hearing having been held thereon, the matter having been submitted, and the Commission being fully advised as to the matter involved,

IT IS HEREBY FOUND AS A FACT that the rates now in effect by applicant are, insofar as they conflict with the rates herein

established, unreasonable and non-compensatory, and that the schedule hereinafter set forth is just and reasonable for the service indicated.

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

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that L. F. Moulton & Company be, and the same is hereby authorized to publish, file and place in effect one day after such filing the following schedule of rates for storing and handling grain at its warehouse located at El Toro:

SCHEDULE

<u>Storage</u>	<u>1st Season</u>	<u>2nd Season</u>
First month, or fraction thereof, per ton	\$ 1.00	.50
Second " " " " " "	.50	.50
Third " " " " " "	.50	.50
Fourth " " " " " "	--	.50
Total for season, ending May 31	\$ 2.00	\$2.00

Minimum storage charge \$2.00

Weighing, handling, through warehouse without storing and loading on cars, per ton - - \$.50

Loading cars in excess of established minimum weight, - on excess only, per ton - - - .50

Establishing shipping mark, per sack - - - .01

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 28th day of June, 1920.

H. S. Lyland
Frank R. Erwin
H. K. Brundage
Irving Moulton
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