

Decision No. 7894

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FARMERS ALLIANCE BUSINESS ASSOCI-)
ATION, for authority to increase) Application No. 5627
rates for storing and handling grain)
at Paso Robles.)

Carlton W. Green, for applicant.

BY THE COMMISSION.

O R D E R

In this application it is proposed to add 25 cents per ton per season to the present charge of \$1.00 per ton for storing grain which covers the service, of weighing in, storing and loading out when delivered, such increase to be applied to the present rate of 50 cents per ton for the first month, making 75 cents per ton for this period and \$1.25 per ton for the first season ending May 31. On subsequent seasons, for which the present charge is 25 cents per ton per month for four months - amounting to a total of \$1.00 - the monthly rate of 25 cents would be applied for five months, raising the season charge to \$1.25 per ton.

The application is based upon alleged increased cost of labor. Last season applicant paid \$4.50 per day for labor which now costs \$5.00 and \$6.00 per day. Due to present shipping requirements it takes four men to load a car while only two were required at the time the present rates were filed. It is applicant's contention that no additional net revenue will accrue by reason of the increase, if authorized - all being absorbed by the

higher operating cost. Handling last season, a volume of 8,000 tons, applicant's warehouse business showed the following results:

Gross Revenue	\$5,467.50
Gross Expense	5,084.35
Net Revenue	\$ 383.15

Investment \$14,000.00

Prospects for the present season indicate a warehouse business not to exceed 5,000 tons of grain.

Applicant's business, two-thirds of which consist of merchandising, and the balance storage, is largely co-operative, stores being in most instances stockholders in the association. A statement signed by fifteen non-stockholders and representing over 2,200 tons of grain stored in applicant's warehouse acknowledges as "just and reasonable" the increased rate proposed.

Under application No. 5555 by Grower's Warehouse Company, Southern Pacific Milling Company, et al, representing 60 or more warehouses in the same section of the state - one being located at Paso Robles - at which labor conditions are practically identical, this Commission recently authorized on the showing then made substantially the same increase as is here involved (Decision No. 7776).

The Commission believes that the rate requested should be granted, and that in this instance a public hearing is not required.

Farmers Alliance Business Association having applied to this Commission for authority to increase its rate for storing and handling grain, and the Commission being of the opinion that a public hearing is not necessary in this case,

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that Farmers Alliance Business Association

be, and the same is, hereby authorized to publish, file and immediately thereafter place in effect the following schedule of rates for storing and handling grain at Paso Robles:

FIRST SEASON

Storing, Including Weighing in and Loading out

1st month per ton	\$ 0.75
2nd " " "	.25
3rd " " "	.25
Season " "	\$ 1.25

SUBSEQUENT SEASONS

Each month(for 5 months) per ton	\$0.25
Season	1.25

Dated at San Francisco, California, this 22nd day of July, 1920.

Edwin G. Edgerton
H. D. Douglas
Frank K. Kelly
Dwight Martin
Commissioners.