

ORIGINAL

Decision No. 9074

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

-000-

In the Matter of the Application)
of Foxie & Millman of Suisun,) APPLICATION NO. 6559
Solano County, to increase ware -)
house rates.)

E. W. Dobbins, for applicant.

BY THE COMMISSION -

O P I N I O N

Applicant herein is a copartnership operating three public warehouses in the town of Suisun. Two of the warehouses are used for storing hay, and have a combined capacity of 1000 tons; the third is a grain warehouse with an approximate capacity of 1200 tons. All are located on Suisun Slough and have tide water connections through which almost the entire tonnage stored reaches outside markets. There is no direct rail connection with applicant's warehouses. The grain warehouse is of stone construction, and the hay warehouses are of wood, each having corrugated iron roof and wood floor. Applicant estimates the value of the entire property at \$15,000. for which it pays an average annual rental of \$700.00.

The present rates and rates which applicant desires to establish are as follows:

	<u>Present Rate</u>	<u>Proposed Rate</u>
Hay per ton, per season -	\$1.00	\$1.50
Grain " " " " -	1.00	1.50
Wool, per bag	.25 per season	.15 per mo.

The above rates on hay and grain cover all customary warehouse service and in addition, the labor of loading to craft when these commodities are delivered for shipment. The existing season rate on wool is equal to 2-1/12¢ per bag per month,- an obviously inadequate charge, but a nominal tonnage only is handled, the entire cash receipts for 1920 being \$19.88.

A hearing on the application was held at Suisun by Examiner Satterwhite, the testimony showing that in June, 1920, applicant took over the warehouse business of Hilborn Brothers whose rate schedules were adopted at that time. Hilborn Brothers operated the warehouses as an incident to their farming interests and, according to applicant, did not attempt to make the utility self supporting, as is evidenced by the low rates maintained. During the year applicant has been in control, \$5.00 per day has been paid for warehouse labor, but the future labor situation at Suisun is uncertain. In further support of its request, applicant submitted the following operating statement for the year ending May 31, 1921:

Receipts	\$1392.88
Expenses - Labor -	\$1725.00
License	30.00
Rent -	700.00
Deficit	<u>2455.50</u>
	\$1062.62

Under the proposed increases against which no protest was made, the additional annual revenue accruing, on the basis of tonnage handled last year, would be approximately \$685.00, an amount still inadequate unless operating expenses can be considerably reduced.

In view of the foregoing statements, and with special reference both to the low rates in effect and the deficit resulting from the operation of this property for the past year, it is our conclusion that the increased rates requested have been justified and should be authorized.

O R D E R

Hoxie, Tillman, a copartnership, having applied to this Commission for authority to increase warehouse rates, a hearing having been held thereon and the matter having been submitted,

It is hereby found as a fact that the increased rates requested in the application are just and reasonable, and that the existing rates are unjust and noncompensatory.

Basing this order upon the foregoing statement of fact and other facts covered by the testimony and exhibits in this proceeding,

IT IS HEREBY ORDERED by the Railroad Commission of the State of California that Hoxie and Tillman, a copartnership, be and the same is hereby authorized to publish and file within twenty (20) days and thereafter collect the following rates for the service indicated:

For storing and handling grain, per season -	\$1.50	per ton
" " " " hay " " -	1.50	" "
" " " " wool in bags,		
per month -	.15	per bag

Dated at San Francisco, California, this 9th day of June, 1921.

H. B. P. Anderson
H. W. Overland
James Martin
J. T. [Signature]
COMMISSIONERS.