Decision No. 9/4/



BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of)

E. B. HART, a warehouseman, for)

authority to increase rates at Winters.)

H. M. Hall, for applicant.

BY THE COMMISSION -

OBINION .

Applicant operates a public warehouse at Winters, having purchased the same from Buckeye Grangers Warehouse Association, whose schedule of rates was automatically adopted. Those rates established in 1918 are considerably lower for the same class of service than rates generally in effect in the same locality. The existing rates and those proposed in the application covering the storage of grain are as follows:

	Present	Proposed
Storage, per season, per ton	* \$1 .00	\$1.25
Loading to cars # #		. 25
* Includes loading.		

At the hearing held on May 26, 1921, by Examiner Satterwhite at Winters, applicant offered to amend his petition to the extent of eliminating the proposed additional charge of 25¢ per ton for loading grain from the warehouse to cars and also to reduce the proposed uniform season storage charge of \$1.25 per ton to 75 cents per ton on commodities when stored in the warehouse yard. These modifications would leave for further consideration only the proposed increase of 25 cents per ton per season on grain stored within the warehouse.

An operating statement covering the year 1920, submitted at the hearing shows the following results:

Revenue .	• •	•	•	•	•	•	•	. \$3472.93
Expenses,	Labor -	\$232	26.0	5				
	Insurance	. 7	70.00)				
	Taxes	14	7.7	2				
	Repair _	15	9.00	<u> </u>	•	•	•	2702.77
Net Reven	ne				_			. \$ 770.16

These expenses, however, take no account of general depreciation of warehouse and equipment, nor overhead costs. The property investments have a value entimated by applicant at \$10,000.00. There is a mortgage of \$5400.00 with interest of 8% per annum, or \$432.00.

The evidence showed that the year 1920 was more than usually favorable to applicant, the warehouse being filled to capacity. Should yard storage be necessary hereafter, such tonnage would, as stated, be handled at 75 cents per ton, or 25 cents per ton less than the present rate. The 25 cents per ton increase in the warehouse storage should in a normal year give a net income of approximately \$1000.00.

There were no protestants at the hearing, and the Commission knows of no opposition to the application as amended. It is believed that the proposed increase of 25 cents per ton per season for the storage of grain has been justified and should be suthorized.

No specific authority from this Commission being required in order for applicant to maintain and operate his warehouse, that portion of the petition relating to this matter will not be covered by the order herein.

ORDER

E. B. Hart, proprietor of the socalled Winters Warehouse, a public utility, having applied to this Commission for authority to increase werehouse rates, a hearing having been held thereon, the matter having been submitted,-

IT IS HEREBY FOUND AS A FACT that the present season rate of \$1.00 per ton for storing and loading grain is unjust and non-compensatory and that a rate of \$1.25 per ton including loading out of warehouse is just and reasonable for the service.

Basing its Order upon the foregoing finding of fact, and upon other facts stated in the accompanying Opinion.

IT IS HEREBY ORDERED BY THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA, that applicant be and is hereby authorized to publish and file tariffs with the Commission within twenty (20) days from date hereof covering rates of \$1.25 per ton per season for the service of storing and loading grain stored in warehouse and rate of 75¢ per ton for storing grain when handled only in warehouse yard.

Dated at San Francisco, California, this 24 hday of June,