Decision No. <u>99179</u>

BEFORE THE RAILROAD COLMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of PARR-RICHMOND TERMINAL CORPORATION, LTD., a corporation, for an order authorizing the lease of certain property.

Application No. 20050.

Morrison, Hohfeld, Foerster, Shuman & Clark, by F. C. Hutchens, for Applicant.

McCutchen, Olney, Mannon & Greene, by Allan P. Matthew, for Howard and Encinal Terminals.

Edwin G. Wilcox for Oakland Chamber of Commerce, interested party.

Robert M. Ford for Port of Oakland.

HAPRIS, Commissioner:

OEINION

This is an application by a public utility wharfinger for an order under Section 51(a) of the Public Utilities Act, authorizing it to lease certain property to Filice and Perrelli

Canning Company Incorporated (hereinafter called Lessec), a California corvoration.

Parr-Richmond Terminal Corporation, Ltd., also designated as Lessor, is a California corporation which is engaged as a public utility wharfinger in operating docks, wharfs and other facilities on San Francisco Bay in Richmond, California. Its properties consist of separately located

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units known as Parr-Richmond Ter_inals Nos. 1, 2, 3 and 4 respectively.

The proposed lessee operates a canning plant in the immediate vicinity of Parr-Richmond Terminal No. 3. The lessee now needs more space for the storing and handling of its products and to meet this requirement desires to lease from the proposed lessor the following described space in Terminal No. 3:

> "Approximately 40,000 square feet located at the extreme north end of the warehouse of said terminal and soparated by partition from the remainder of said warehouse."

Terminal No. 3 has an area of 120,000 square feet. The premises to be leased are to be partitioned off and thereby separated from the remainder of the Terminal. Said premises are not needed by Lessor in the performance of its public utility functions. It has adequate space without using them. The lessing of them will not interfere with the operation of the remainder of its premises for public utility purposes. All public utility wharfinger services, including carloading and unloading, rendered by the lessor in connection with the property stored by lessee in the leased premises are to be at lessor's tariff rates.

The rental to be paid is Six Hundred Dollars (\$600.00) per month and is adequate.

No portion of the dock is included in the lease.

A copy of the lease marked "Exhibit A" is attached to the application.

The following changes in the proposed lease will be required:

The description of the leased premises on Page 1

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of the lease should read as follows:

Approximately 40,000 square feet located at extreme north end of the warehouse of said terminal and separated by partition from the remainder of said warehouse, as shown within red lines on map attached hereto.

The map so attached will have enclosed in red lines the portion of Terminal No. 5 shown in yellow on Exhibit 1 introduced at this hearing.

In paragraph No. 2 on Page 1 of said proposed lease the sentence "no other commodities shall be stored or handled in said premises without the lessor's written concent" shall be amended by adding at the end thereof "and the written approval of the California Railroad Commission."

On page 6 of the proposed lease in paragraph 12 at the end thereof shall be added "provided however that before said substitution becomes effective the California Railroed Commission must give its written approval thereof."

Paragraph 4 of the proposed lease must be cancelled.

The granting of the lease proposed, amended as above required, will not impair or adversely affect in any way the operations of applicants as a public utility wharfinger. Neither will it give the lessee a preferred position over other shippers, nor the lessor any advantage it does not now have over other wharfingers in competition for the lessee's tonnage.

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Basing its Order on the statements and findings of fact in the preceding Opinion which are hereby adopted

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by this Commission,

IT IS HEPEBY ORDERED that Applicant be end it is hereby authorized to enter into the emended lease above described.

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 31st day of July, 1935.

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Commissioner