

Decision No. 33483

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of
the GROWERS' ICE AND PRE-COOLING PLANT }
to lease to UNION ICE AND STORAGE COMPANY } Application No. 23617
its cold storage facilities located in }
Mountain View, Santa Clara County, State }
of California. }

BY THE COMMISSION:

O P I N I O N

Growers' Ice and Pre-Cooling Plant asks permission to lease its public utility warehouse properties and business to the Union Ice and Storage Company in accordance with the terms of the lease filed in this proceeding as Exhibit A.

Growers' Ice and Pre-Cooling Plant is a corporation organized under the laws of the State of California. It owns and operates a commercial cold storage warehouse at Mountain View, Santa Clara County, California. It is also engaged in the ice business. For the year 1939, its operating revenues from its public utility business are reported at \$8,807.14 and its non-utility revenues at \$12,302.64. The corporation has outstanding \$39,950.00 par value of common stock, all of which is owned by The Union Ice Company.

The Union Ice and Storage Company, to whom Growers' Ice and Pre-Cooling Plant proposes to lease its warehouse properties and business, is also a subsidiary of The Union Ice Company. The Union Ice and Storage Company is a public utility owning and operating and/or leasing and operating certain commercial cold storage warehouses at Stockton, Chico, Napa, San Jose, Santa Cruz, San Diego and Wilmington, California. The warehouse properties which it operates under lease are owned by The Union Ice Company. They are being operated under the terms and conditions of the lease authorized by decision No. 23075, dated November 13, 1930, in Application No. 16992.

The lease which the Growers' Ice and Pre-Cooling Plant now desires permission to execute is similar in its terms to the lease authorized by said decision No. 23075, dated November 13, 1930. The lease is to be in effect for a period of one year after the date of its execution and thereafter from year to year unless and until terminated by thirty days written notice given by either party to the other. The lessee agrees to pay to the lessor as rental the profit derived from the operation of the cold storage facilities. The lessor agrees that it will at all times provide refrigeration service so as to maintain temperature conditions satisfactory to the lessee in the conduct of its cold storage business. This refrigeration service will be furnished at its actual cost. The lessee agrees to maintain the leased facilities in proper operating condition. All replacements or additions thereto will be made at the expense of the lessor.

Applicant desires permission to execute the lease in order that Growers' Ice and Pre-Cooling Plant may be relieved of its public utility obligations. In the event that said company is liquidated, The Union Ice Company which now, as said, controls Union Ice and Storage Company, will become the owner of the property of Growers' Ice and Pre-Cooling Plant and will succeed to the latter's responsibilities under the proposed lease.

O R D E R

The Commission having considered the request of Growers' Ice and Pre-Cooling Plant and Union Ice and Storage Company for permission to execute a lease similar in terms to the lease filed in this proceeding as exhibit A, and it being of the opinion that this is not

a matter in which a hearing is necessary and that this Application should be granted subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED that Growers' Ice and Pre-Cooling Plant and Union Ice and Storage Company be, and they are hereby, authorized to execute a lease similar/^{in terms}to the lease filed in this proceeding as Exhibit A.

IT IS HEREBY FURTHER ORDERED that the Growers' Ice and Pre-Cooling Plant and Union Ice and Storage Company shall, prior to the execution of said lease, unite in common supplement to the cold storage warehouse tariffs on file with the Commission in the name of Growers' Ice and Pre-Cooling Plant, applicant Growers' Ice and Pre-Cooling Plant withdrawing and applicant Union Ice and Storage Company adopting and establishing as its own, such tariffs and all effective supplements thereto. Any tariffs not adopted by Union Ice and Storage Company shall be withdrawn and cancelled by Growers' Ice and Pre-Cooling Plant.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective twenty (20) days after the date hereof.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the execution of the aforesaid lease, Union Ice and Storage Company shall file a certified copy of said lease with the Railroad Commission.

DATED at San Francisco, California, this 24th day of August, 1940.

Ray L. Riley
James W. H. H. H.
Robert W. H. H.
Justice F. Carver
COMMISSIONERS