

ORIGINAL

Decision No. 42325

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
HUENEME WHARF & WAREHOUSE COMPANY)	Application No. 30537
for Order Authorizing Abandonment)	
of Public Warehousing Operations.)	

Appearances

Peter Fox, for applicant.

W. N. Jefford, interested party.

O P I N I O N

Hueneme Wharf & Warehouse Company is a California corporation engaged in the operation of a public warehouse at Port Hueneme, Ventura County. By this application it seeks authority to discontinue operations.

Public hearing was had before Examiner Bryant at Oxnard on August 30, 1949, and the matter is ready for decision.

Evidence in support of the application was introduced through the testimony of applicant's president, of its manager, and of the manager of Pleasant Valley Lima Bean Growers & Warehouse Association, a cooperative organization. The record shows that the storage and incidental handling of lima beans, in sacks, has constituted applicant's sole business.¹ The sacked beans have been brought directly from the threshing machines to the warehouse, stored until a market is available, then unsacked, cleaned, hand-picked, and repacked in sacks or cartons. Applicant is not equipped to handle beans in bulk, and is unable to furnish any service to farmers

¹ Applicant's tariff names rates for the storage of various agricultural commodities, but none other than lima beans have been received for at least six years.

who have discontinued the use of sacks. Within the past two years, according to the evidence, bulk handling of beans has revolutionized the lima bean industry in Ventura County and has rendered applicant's facilities obsolete. Of an estimated 60 threshing machines in the county, all but three have converted to bulk threshing. From a past average of more than 130,000 sacks of lima beans annually, applicant's receipts dropped to 56,794 sacks in the 1948 season. The net operating loss for the season was estimated at \$2,700. On the date of the hearing in this matter there were only 626 sacks of beans in the warehouse.

The operations of Hueneme Wharf & Warehouse Company are conducted in two wooden buildings having a combined floor area of 30,000 square feet. It was testified that modern machinery necessary to handle beans in bulk could not be installed without extensive reconstruction; and that the buildings are not suitably located for the efficient receipt of bulk commodities. The facilities were constructed more than 75 years ago, and are now in a generally ram-²shackle condition.

The manager of Pleasant Valley Lima Bean Growers & Warehouse Association testified that, if applicant's facilities were closed, there would remain in the southern part of Ventura County eight public or cooperative warehouses. He estimated that these buildings had a combined bean storage capacity equivalent to 1,030,000 bags, of which about 60 per cent was utilized during the peak season of 1948-1949.³ Most of the warehouses, he explained,

² Originally the buildings were connected with a wharf, now demolished. Public wharfing operations were discontinued in 1939 under authority of Decision No. 31766, in Application No. 22544.

³ Included in the storage facilities of the area is a very large warehouse, erected about two years ago, situated some eight miles from applicant's buildings, having facilities for handling and storing the equivalent of 400,000 sacks of beans. This warehouse, owned by Pleasant Valley Lima Bean Growers & Warehouse Association, is believed to be the largest lima bean warehouse in the world.

were prepared to receive beans in sacks if offered. It was his opinion, however, that there would be relatively little demand for the storage of sacked beans, for the reason that the bulk method of handling permits substantial savings to the farmer.

Notices of hearing in this matter were given to chambers of commerce, producer associations, and other parties believed to be interested. No one appeared to oppose the granting of this application.

It is clear from the evidence of record that the warehouse herein sought to be abandoned is antiquated, and that recent changes in the methods of handling lima beans have hastened its obsolescence. It is apparent that remaining public facilities will be sufficient to accommodate adequately the warehousing needs of the area. Under these circumstances applicant should not be required to continue its public services in the face of probable substantial operating losses. The application will be granted. In consideration of this grant, applicant will be expected to bear the expense of transferring to other suitable storage locations the few hundred sacks of beans now in the warehouse.

O R D E R

Public hearing having been had in the above-entitled application, and based upon the conclusions and findings set forth in the preceding opinion,

IT IS HEREBY ORDERED that the Hueneme Wharf & Warehouse Company be, and it hereby is, authorized to discontinue the handling and storage of property at Port Hueneme as a public utility warehouseman, subject to the following provisions and conditions:

1. Applicant shall continue as a public utility warehouseman, rendering all services specified in its tariffs, at rates and charges therein provided, so long as any property remains in storage in its warehouse; except that from and after the date of filing the written acceptance specified in Condition 2 hereof, applicant shall not be required to receive any additional goods for storage.

2. Applicant shall, within ten (10) days after the effective date of this order, file with the Commission its written acceptance of this order, including all of the provisions and conditions thereof.
3. Applicant shall cause to be prepared and to be mailed or otherwise delivered to each of its storage patrons on or before twenty (20) days after the effective date of this order, a true and complete copy of this order.
4. Applicant's storage patrons may designate any available public warehouse or other location within Ventura County to which their stored property shall be moved; however, in the absence of such election on or before November 1, 1949, applicant may transport such property to any public utility warehouse within the county.
5. Hueneme Wharf & Warehouse Company shall pay, for its own account, and at no expense to its patrons, any and all costs connected with the transfer of stored property from its warehouse to other locations, whether designated by its patrons or otherwise, including transportation, the handling charges of the receiving warehouse, and any additional storage charges occasioned by a difference in storage periods between its own and the receiving warehouse.
6. Applicant shall, promptly upon removal of all stored property from its warehouse, (a) file with the Commission a verified statement that it has fully complied with Conditions 1 to 5, inclusive, and (b) cancel all tariffs, concurrences and powers of attorney which it has on file with the Commission.
7. Upon the filing of the verified statement and the cancellation of all tariffs, concurrences and powers of attorney in accordance with the provisions of Condition 6, applicant shall thereby stand relieved of all further public utility obligations in connection with its public utility storage operations at Port Hueneme.

The effective date of this order shall be twenty (20) days after the date hereof.

Dated at Los Angeles, California, this 20th day of September, 1949.

R. J. [Signature]
Justin J. [Signature]
[Signature]
Harold A. [Signature]
[Signature]
Commissioners