

ORIGINAL

Decision No. 49354

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 SOUTHERN PACIFIC MILLING COMPANY, a)
 corporation, to sell and transfer,)
 and of JEROME N. SWEETLAND and GALE)
 W. JOHNSON, individuals, to purchase)
 and acquire a public utility ware-)
 house at Camarillo, California, and)
 of said purchasers to execute a)
 promissory note and encumber public)
 utility property.)
 -----)

Application
No. 34838

O P I N I O N

This is an application for an order of the Commission authorizing Southern Pacific Milling Company to sell certain warehouse properties and equipment located at Camarillo to Jerome N. Sweetland and Gale W. Johnson and authorizing said Jerome N. Sweetland and Gale W. Johnson to execute a mortgage and to issue a promissory note in the principal amount of \$20,500 for the purpose of financing part of the purchase price.

Southern Pacific Milling Company is a California corporation which, among other things, is engaged in the public utility warehousing business for the storage of agricultural commodities in Guadalupe, Bromela, Santa Maria, Gates, Lompoc, La Salle and Camarillo. It is also engaged in certain nonutility activities which account by far for the greater part of its operating revenues. During the 12 months ended May 31, 1953, it reported public utility operating revenues in the amount of \$71,510 and nonutility revenues in the amount of \$5,886,502.

From time to time Southern Pacific Milling Company has been authorized to dispose of warehouse properties and business in certain locations formerly served by it. At this time it is contemplating its further withdrawal from its public utility operations and has made arrangements to sell its warehouse building and equipment located at Camarillo to Jerome N. Sweetland and Gale W. Johnson for the sum of \$32,500, payable in cash. The buyers have deposited \$12,000 of the price and propose to obtain the balance of \$20,500 from Bank of A. Levy, Incorporated at Oxnard, said sum to be represented by a promissory note repayable over a period of three years with interest at the rate of 6% per annum. The payment of the note will be secured by a mortgage covering the warehouse building and equipment.

The application shows that the buyers, operating under the name of Ventura County Seed Growers, presently are engaged in the business of handling beans and grain, that financially they are in a position to maintain the service, and that they propose to adopt the rates, rules and regulations now governing the operation of the business to be transferred. It appears that the public will continue to receive the same warehouse service at Camarillo they now enjoy.

Upon reviewing this matter we are of the opinion that the proposed transfer will not be adverse to the public interest, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by applicants Sweetland and Johnson for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. Accordingly, an order will be

entered granting the application.

The action taken herein shall not be construed to be a finding of the value of the properties herein authorized to be transferred.

O R D E R

The Commission having considered the above entitled matter, and being of the opinion that a public hearing is not necessary and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. Southern Pacific Milling Company may sell and transfer to Jerome N. Sweetland and Gale W. Johnson, on or before February 28, 1954, the warehouse properties and equipment located at Camarillo which are referred to in this proceeding.

2. Jerome N. Sweetland and Gale W. Johnson may issue their promissory note in the principal amount of not exceeding \$20,500 to finance in part the purchase price of said properties and equipment and may execute a mortgage to secure its payment, which note and mortgage shall be in, or substantially in, the same form as those filed in this proceeding.

3. On not less than five days' notice to the Commission and to the public, applicants shall supplement or reissue the tariffs now on file with the Commission, insofar as they name rates, rules and regulations governing warehouse operations of Southern Pacific Milling Company at Camarillo, to show that Southern Pacific

Milling Company has withdrawn or canceled and that Jerome N. Sweetland and Gale W. Johnson concurrently have adopted or established as their own said rates, rules and regulations. The tariff filings made pursuant to this order in all respects shall comply with the regulations governing the construction and filing of warehouse tariffs set forth in the Commission's General Order No. 61.

4. Jerome N. Sweetland and Gale W. Johnson shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

5. The authority herein granted will become effective when Jerome N. Sweetland and Gale W. Johnson have paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 24th day of November, 1953.

R. F. Dunning
President

Justus J. Calmes

Kenneth Patton
John E. McMillin

Gene Roggens
Commissioners

