

ORIGINAL

Decision No. 49457

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
ARCHER-DANIELS-MIDLAND COMPANY for	:	
authority to sell and/or assign its)	
interest in certain property used for	:	
the storage of grain to STEPHEN J. TAKAS,)	Application
LEE DIXON, BERNICE TAYLOR, and IVAN	:	No. 34935
KANDRA, co-partners dba WINEMA ELEVATORS,)	
made pursuant to Section 851 of the	:	
Public Utilities Code.)	
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OPINION AND ORDER

Archer-Daniels-Midland Company has filed this application for authorization to transfer and assign certain properties used in its public utility warehouse operations to Stephen J. Takas, Lee Dixon, Bernice Taylor, and Ivan Kendra, doing business as Winema Elevators.

It appears that Archer-Daniels-Midland Company is a Delaware corporation engaged in operating grain terminal elevators, mills and other industrial plants throughout the United States. Among other things, it has operated a warehouse for grain storage near Tulalake and a grain storage elevator at Stronghold on land it has occupied under lease arrangements, both facilities having been used for the storage of barley raised in the Tulalake area. The company has had tariffs on file with the Commission naming rates for storage.

Archer-Daniels-Midland Company reports that it has concluded to withdraw from the operations of the two plants and that it has made arrangements to assign its leasehold interests and to sell

its warehouse properties to Winema Elevators for the sum of \$204,150.16, which it represents was its cost of construction. Under the terms of the sales agreement the payment of the purchase price will be made in annual installments up to and including October 1, 1958, with interest at the rate of 4% per annum on the unpaid balances.

The application indicates that the purchasers are engaged in the handling of barley and clover, that they intend to continue the operation of the facilities covered by this application for the storage of barley and that financially they are in a position to undertake the acquisition and to conduct the operations. From a review of the application we are of the opinion that the transfer and assignment will not be adverse to the public interest, that the sales agreement providing for deferred payments over a period of more than twelve months is an evidence of indebtedness requiring the Commission's authorization, that the money, property or labor to be procured or paid for by the execution of the sales agreement is reasonably required for the purpose specified herein, that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that a public hearing is not necessary; therefore,

IT IS HEREBY ORDERED as follows:

1. Archer-Daniels-Midland Company is authorized to assign and transfer to Stephen J. Takas, Lee Dixon, Bernice Taylor, and Ivan Kandra the leasehold interests and the warehouse properties referred to in this application, such assignment and transfer to be made in accordance with the terms of the agreements filed in this proceeding as Exhibit A and Exhibit B, which agreements

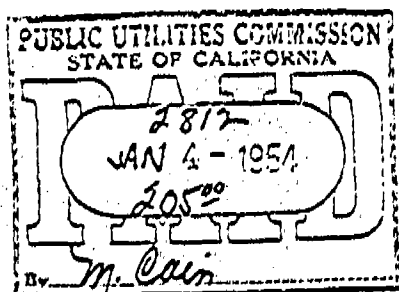
applicants are authorized to execute.

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

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 Archer-Daniels-Midland Company, to show that Archer-Daniels-Midland Company has withdrawn or canceled and that Stephen J. Takas, Lee Dixon, Bernice Taylor and Ivan Kandra, doing business as Winema Elevators, 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. The authority herein granted will become effective when Stephen J. Takas, Lee Dixon, Bernice Taylor and Ivan Kandra, doing business as Winema Elevators, have paid the fee prescribed by Section 1904(b) of the Public Utilities Code.

Dated at San Francisco, California, this 21st day of December, 1953.



R. E. [Signature]
President
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Commissioners