

ORIGINAL

Decision No. 50550

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application)
of)
R. A. HARELSON, dba NORTHERN STAR)
MILLS, for an Order authorizing sale)
of warehouse property and TARKE)
WAREHOUSE COMPANY, a corporation, for)
an Order authorizing purchase of ware-)
house property and execution of)
promissory note and deed of trust.)
-----)

Application
No. 35761

OPINION AND ORDER

This is an application for an order of the Commission authorizing R. A. Harelson to transfer a public utility warehouse located in Durham, Butte County, to Tarke Warehouse Company, a corporation, and authorizing said corporation to execute a deed of trust and to issue a note in the principal amount of \$46,000 in part payment. The note will bear interest at the rate of 5.5% per annum and will be payable in four annual installments of \$10,000 and one installment of \$6,000.

It appears that R. A. Harelson, doing business as Northern Star Mills, is engaged in operating two warehouses in Chico and three warehouses in Durham for the storage of grain and other agricultural commodities and that he now desires to withdraw from the operation of one of his Durham warehouses, known as the Sacramento Northern Warehouse, and has made arrangements to sell the same to Tarke Warehouse Company for the sum of \$56,000, of which amount \$10,000 will be paid in cash and the balance will be represented by the note covered by this application.

Tarke Warehouse Company presently is engaged in the public warehouse business and in other activities in Sutter and Yuba counties.^{1/} It reports that it intends to continue with the operation of the Durham warehouse for public storage.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the transfer, as proposed, 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 applicant corporation for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. R. A. Harelson, doing business as Northern Star Mills, may sell the warehouse property referred to in this application to Tarke Warehouse Company.
2. Tarke Warehouse Company, in part payment for such warehouse property, may execute a deed of trust and issue a promissory note in the principal amount of \$46,000, which deed of trust and note shall be in, or substantially in, the same form as those filed in this proceeding.
3. The action taken herein shall not be construed to be a finding of the value of the property herein authorized to be sold.

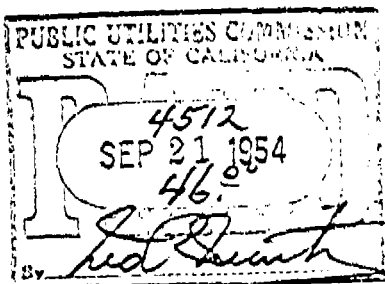
^{1/} For the year ended May 31, 1954, Tarke Warehouse Company reported revenues from utility operations at \$78,048 and from other activities at \$255,889, a total of \$333,937, with net profit of \$45,472. It reported current assets at the close of May at \$164,803 and outstanding liabilities at \$76,899.

4. Within 60 days after the effective date hercof, applicants shall, on not less than five days' notice to the Commission and to the public, amend their tariffs on file with the Commission insofar as they name rates, rules and regulations governing the warehouse operations here involved to show that R. A. Harelson, doing business as Northern Star Mills, has withdrawn and that Tarke Warehouse Company, a corporation, has concurrently adopted as its own said rates, rules and regulations. In all other respects said tariff filings shall comply with the regulations governing the construction and filing of warehouse tariffs set forth in the Commission's General Order No. 61.

5. Tarke Warehouse Company, a corporation, 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.

6. The authority herein granted will become effective when Tarke Warehouse Company, a corporation, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$46.00.

Dated at San Francisco, California, this 21st day of September, 1954.



W. E. Middle
President

Justice J. Calver

Wm. H. Pottel

Verne Juggins

Commissioners