

**ORIGINAL**

Decision No. 51004

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of	)	
J. M. Hampton, Jr. and Owen R. Powell,	:	
co-partners, Live Oak Warehouses to	)	Application
transfer the Warehouses and Business	:	No. 36600
in Live Oak to Owen R. Powell.	)	
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O P I N I O N

This is an application for an order of the Commission authorizing J. M. Hampton, Jr. to transfer a partnership interest in the Live Oak Warehouses to Owen R. Powell and authorizing Owen R. Powell to issue a note in the principal amount of \$30,000 and to execute a deed of trust and a chattel mortgage.

The application shows that J. M. Hampton, Jr. and Owen R. Powell, as partners, are engaged in operating the Live Oak Warehouses in Sutter County, that J. M. Hampton, Jr. is in ill health and desires to retire from the warehouse business, and that he has agreed to transfer his partnership interest to Owen R. Powell in consideration for the payment by the surviving partner of the sum of \$61,566.43. The application further shows that of the total purchase price, \$31,566.43 will be paid in cash and the balance of \$30,000 will be represented by a promissory note payable over a period of four years with interest at the rate of 5% per annum. The payment of the note will be secured by a deed of trust and by a chattel mortgage.

It appears that the operations of the partners include the warehousing of grain and rice and certain merchandising

activities, the utility business constituting but a small portion of the total. For the year 1953 applicants reported storage revenues of \$1,825 and nonutility revenues of \$38,133, a total of \$39,958, with net income of \$19,233 before provision for taxes on income. At the end of 1953 the reported investment in tangible properties, which include two warehouse buildings located on leased premises and warehouse equipment, was \$26,977, and in current assets was \$101,113, the two sums aggregating \$128,090. Applicants report no outstanding liabilities and indicate that their entire investment has been paid or provided by partnership capital and retained earnings.

From a review of the application it appears there will be no change in the rates or the service to the public as a result of the transaction. Accordingly, we hereby find that the transfer will not be adverse to the public interest and we will enter an order granting applicants' requests.

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, that the application should be granted, as herein provided, 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 Powell 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. J. M. Hampton, Jr. may transfer to Owen R. Powell his partnership interest in the Live Oak Warehouses under the terms and conditions set forth in this application.

2. Owen R. Powell, in payment for such partnership interest, may issue his note in the principal amount of not exceeding \$30,000 and may execute a deed of trust and a chattel mortgage to secure the payment of the same, which deed of trust and chattel 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 the warehouse operations here involved, to show that J. M. Hampton, Jr. has withdrawn or canceled and that Owen R. Powell concurrently has adopted or established, as his 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. Owen R. Powell 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 Owen R. Powell has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$30.00.

Dated at Los Angeles, California, this 25<sup>th</sup> day of January, 1955.

Pat E. Mitchell  
President

Justin J. Caswell  
Paul H. ...

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Commissioners

