A. 37928-EO

Decision No. <u>53123</u>

BEFORE THE PUBLIC UTILITIES COMMISSION OF

In the Matter of the Application of Southern Pacific Milling Company, a California corporation, for an order authorizing it to discontinue service as a public utility and to cancel rates.

Application No. 37928

JIFORNIA

OPINION AND ORDER

Applicant is conducting a public utility warehouse operation at Santa Maria. By this application it seeks authority to discontinue operations and to cancel its rates, rules and regulations.

The verified application states that applicant is now primarily engaged in the aggregates business, consisting of the production and sale of rock, sand and gravel and of concrete and asphalt paving materials. Applicant asserts that substantial losses have been suffered in public utility operations in every year since 1951. At the present time, there are 52 patrons using applicant's public utility warehouse facilities who will, applicant alleges, receive comparable services at the warehouse of the Santa Maria Valley Warehouse Company in Santa Maria. Applicant offers to transfer, at its expense, the merchandise stored in its warehouse to the warehouse of the above-named warehouse company.

Applicant has notified each of its patrons of the filing of this application. No objection has been offered to its being granted.

It appears that this is a matter in which a public hearing is not necessary, that the proposed discontinuance of operations will

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not be adverse to the public interest, and that applicant should be permitted to withdraw from public utility warehouse operations, subject to conditions designed to protect the interests of its patrons. In order that applicant may avail itself of an opportunity to sell its warehouse properties for nonutility purposes, the order will be made effective immediately.

Therefore, good cause appearing,

IT IS HEREBY ORDERED that Southern Pacific Milling Company be and it is hereby authorized to discontinue its public utility warehouse operations at Santa Maria, subject to the following 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 five 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, within five 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 warchcuse or other location within the vicinity of Santa Maria to which their stored property shall be moved; however, in the absonce of such election on or before six days after the effective date hereof, applicant may transport such property to any public utility warehouse within that vicinity.

- 5. Applicant 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 on 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.

This order shall become effective on the date hereof.

May, 1956.

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