

ORIGINAL

Decision No. 57182

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

GRIDLEY WAREHOUSES, a California corporation,

and

SHERMAN S. HINAMAN, doing business as Gridley Warehouses, a sole proprietorship,

Application No. 40268

for an Order authorizing said corporation to acquire the warehouse permit and warehouse business of said sole proprietorship, and to issue stock therefor; and for said sole proprietorship to transfer its warehouse permit and warehouse business to said corporation

O P I N I O N

In this application the Commission is asked to make an order (1) authorizing Sherman S. Hinaman to transfer warehouse properties to Gridley Warehouses, a corporation, and (2) authorizing Gridley Warehouses to issue 2,500 shares of Class A voting stock and 15,000 shares of Class B non-voting stock of the par value of \$10 a share and of the aggregate par value of \$175,000.

The application shows that Sherman S. Hinaman, doing business as Gridley Warehouses, is engaged as a public utility in the operation of facilities for storing and selling rice, grain and other commodities in Gridley, Butte County, that he has concluded

the operations should be conducted by a corporate form of organization and that he has organized Gridley Warehouses, a corporation, applicant herein, to take over his warehouse facilities and business and to continue the operations. Under the arrangements applicant Hinaman has made, the new corporation will succeed to all the assets and liabilities and will issue its stock in an amount equivalent to the reported net worth.

It appears that the proposed transaction will not interfere in the service offered to the public and accordingly we are of the opinion, and so find, that the transaction 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 stock herein authorized 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 the application should be granted.

The authorization herein given is not to be construed to be a finding of the value of the properties herein authorized to be transferred.

ORDER

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary and that an ex parte order should be entered, therefore,

IT IS HEREBY ORDERED as follows:

1. Sherman S. Hinaman, doing business as Gridley Warehouses, may transfer his public utility facilities and business to Gridley Warehouses, a corporation, and Gridley Warehouses may acquire such assets, subject to liabilities and may issue not to exceed 2,500 shares of its Class A voting stock and 15,000 shares of its Class B non-voting stock.

2. On not less than five days' notice to the Commission and to the public, effective concurrently with the consummation of such transfer, 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 of Sherman S. Hinaman, doing business as Gridley Warehouses, to show that Sherman S. Hinaman has withdrawn or canceled and that Gridley Warehouses, a corporation, concurrently has adopted or established as its 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.

3. Gridley Warehouses, 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.

4. The authorization herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this 19th
day of August, 1958.

[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners