

Decision No. 62054**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the joint application
of WESTCOT, INC. and CALCOT, LTD., for
approval of the transfer of warehouse
facilities of Westcot, Inc., a
California corporation, to Calcot, Ltd.,
a cooperative agricultural marketing
association, and for revocation of
certificate to operate of Westcot, Inc.

Application No. 43344

O P I N I O N

Westcot, Inc., (hereinafter referred to as Westcot) requests authority to discontinue public utility warehouse service at Bakersfield and Pinedale, California.

Westcot, Inc., and Calcot, Ltd., (hereinafter referred to as Calcot) are both engaged in the warehousing of cotton. Calcot, Ltd., however, was authorized in 1960 to discontinue public utility warehousing in favor of operating as a nonprofit cooperative association. Substantially all of the stockholders of Westcot, Inc., are members of Calcot, but not all of the members of Calcot are stockholders of Westcot.

In 1959 Westcot acquired 25 acres of property contiguous to Calcot's Bakersfield facility and 10 acres contiguous to Calcot's Pinedale facility. On these properties Westcot constructed and dedicated warehouse facilities consisting of 240,000 square feet of floor space at Bakersfield and 180,000 square feet of floor space at Pinedale.

It is alleged that Calcot now requires additional storage space for its members and that it can construct the additional space for less than it would pay for storage under the tariff rates of

Westcot. Since all of the cotton in the Westcot warehouses either belongs to or is under the control of Calcot its removal would materially affect the financial operation of Westcot. To avoid this situation Calcot has offered to purchase the warehouse facilities of Westcot for a cash consideration of \$785,000 which offer has been accepted by Westcot's Board of Directors with the approval of its shareholders.

After consideration, the Commission is of the opinion that public convenience and necessity no longer require the operation of Westcot as a public utility warehouseman at Bakersfield and Pinedale, California. A public hearing does not appear necessary.

C R D E R

Application having been filed and the Commission being informed in the premises,

IT IS ORDERED:

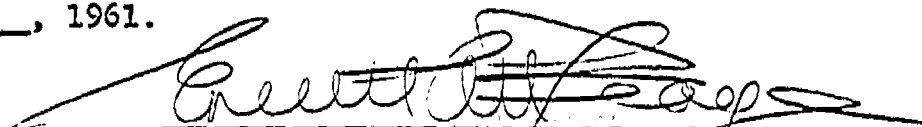
1. That after the effective date hereof, Westcot, Inc., may discontinue service as a public utility warehouseman at Bakersfield and Pinedale, California, and the prescriptive right determined in Case No. 6768 dated August 9, 1960, is hereby revoked.

2. That for a period of ten days prior to the discontinuance of service authorized in ordering paragraph 1 hereof, Westcot, Inc., shall post notice of its intention to discontinue service at its Bakersfield and Pinedale warehouses.

3. That all tariffs, powers of attorney and concurrences presently on file with this Commission in the name of Westcot, Inc., are hereby canceled.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 31st day of MAY, 1961.



President







Commissioners