

**ORIGINAL**

Decision No. 62574

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 CHESTER I. WOLCOTT and R. W. GROVES, )  
 partners doing business as WILLOWS )  
 RICE DRIER & STORAGE COMPANY, for )  
 authorization to transfer, and of )  
 CHESTER I. WOLCOTT, an individual, )  
 to acquire the partnership interest )  
 of R. W. GROVES in public utility )  
 warehouse properties, and of )  
 CHESTER I. WOLCOTT for authorization )  
 to issue unsecured promissory notes )

Application No. 43700  
Filed August 24, 1961

OPINION AND ORDER

This is an application for an order of the Commission (1) authorizing the sale and transfer of a partnership interest in Willows Rice Drier & Storage Company, and (2) authorizing the issuance of two unsecured promissory notes in the aggregate principal amount of \$26,456.51.

The application shows that Willows Rice Drier & Storage Company is a copartnership composed of Chester I. Wolcott and R. W. Groves, copartners; that such copartnership is engaged in the business of drying rice and other grains, and storing rice, barley, wheat and other grains, as a public utility warehouseman under the jurisdiction of this Commission in the County of Glenn; that R. W. Groves desires to sell and transfer his interest in the copartnership to the remaining partner, Chester I. Wolcott, for the sum of \$41,456.51; and that Chester I. Wolcott, as the sole owner, will adopt the presently effective rates, rules and regulations and will continue the operations.

The purchase price of \$41,456.51 is payable by means of \$15,000 as a cash down payment, with the balance to be represented by two unsecured promissory notes in the sum of \$15,000 and \$11,456.51, respectively, and bearing due dates of one and two years, respectively, from the date of issue, without interest.

The Commission has considered this matter and finds and concludes (1) that the proposed transfer will not be adverse to the public interest; (2) that Section 818 of the Public Utilities Code permits the issue of the unsecured one-year note in the principal amount of \$15,000 without authorization from the Commission; (3) that the money, property or labor to be procured or paid for by the issue of the \$11,456.51 note herein authorized is reasonably required by Chester I. Wolcott for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; (4) that the application, insofar as it seeks authority to issue an unsecured one-year note, should be dismissed for want of jurisdiction; (5) that in all other respects the application should be granted; and (6) that a public hearing is not necessary. Upon the basis of these findings we will enter an appropriate order but, in doing so, we are making no finding of the value of the operative rights and properties of Willows Rice Drier & Storage Company.

Therefore, good cause appearing,

IT IS ORDERED that -

1. R. W. Groves may sell and transfer his interest in Willows Rice Drier & Storage Company to Chester I. Wolcott, and Chester I. Wolcott may acquire said interest, assume the outstanding indebtedness, and issue an unsecured promissory note in the principal amount of not to exceed \$11,456.51, payable on or before two years after its date, without interest.

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 to show that R. W. Groves and Chester I. Wolcott have withdrawn or canceled and that Chester I. Wolcott 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.

3. Within 30 days after issuing the note herein authorized, Chester I. Wolcott shall file with the Commission a copy of such note as actually issued.

4. This application, insofar as it requests authority to issue an unsecured one-year note, is dismissed for want of jurisdiction.

5. This order shall become effective when Chester I. Wolcott has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California,  
this 19th day of SEPTEMBER, 1961.

*Herbert A. Brown*  
President

*E. Leo Fox*

*George T. Hoover*

*Fredrick B. Halbach*

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Commissioners

