

**ORIGINAL**Decision No. 67605

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 WILLIAM B. GROVER, as Trustee in )  
 Bankruptcy for Durham Warehouse Co., )  
 Inc., a corporation, and of WEST )  
 LOS ANGELES MILLING CO., a corpo- )  
 ration, for an order authorizing the )  
 transfer of certain assets of said )  
 bankrupt to West Los Angeles Milling )  
 Co.; and )

Application No. 46708  
 (Filed June 9, 1964)

In the Matter of the Application of )  
 WEST LOS ANGELES MILLING CO. for an )  
 order authorizing the lease of a )  
 portion of said Durham Warehouse Co. )  
 property to TRI-CO COMPANY, a corpo- )  
 ration, for non-warehouse purposes. )

O P I N I O N

By Decision No. 60803, dated October 4, 1960, West Los Angeles Milling Co., a corporation, was authorized to transfer warehouse property, located in Durham, California, to Durham Warehouse Co., Inc. Durham Warehouse Co., Inc., was authorized to issue 2,500 shares of its common stock at the par value of \$10 each and was further authorized to execute two deeds of trust, two chattel mortgages and to issue notes in the aggregate principal amount of \$235,000.

According to the instant application Durham Warehouse Co., Inc., paid the initial installment due in October 1961, but defaulted in the installment due in October 1962. On May 1, 1963, an action was brought by West Los Angeles Milling Co., seeking the appointment of a receiver for the warehouse properties and the

foreclosure of the deeds of trust and chattel mortgages. On May 13, 1963, William B. Grover was appointed the trustee in bankruptcy. Negotiations with the trustee resulted in an arrangement whereby the trustee would recover the property involved in lieu of foreclosure. Thereafter, and pursuant to a court order, a trustee's deed, executed by the trustee, was delivered to West Los Angeles Milling Co., and was recorded on January 22, 1964. On March 16, 1964, also pursuant to court order, West Los Angeles Milling Co. took possession of the personal property covered by the chattel mortgages.

Due to the financial difficulties of Durham Warehouse Co., Inc., it is alleged that the warehouse business at Durham has been reduced to nominal operations. It is anticipated that the warehouse business can be substantially increased beginning in August or September, 1964. In the meantime, West Los Angeles Milling Co. requests authority to lease a building consisting of 15,000 square feet to Tri-Co Company. The lease provides for a monthly rental of \$500 and would terminate on December 31, 1965. The lessee would use the building for the hulling, drying, processing and storage of almonds.

It is further alleged that at the present time the facilities are virtually empty and that the remaining 35,000 square feet of space would be adequate.

After consideration, the Commission finds that the proposed transfer and lease would not be adverse to the public interest. The application requests that the sought authority be granted as soon as possible. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. On or before January 15, 1965, William B. Grover, as Trustee in Bankruptcy for Durham Warehouse Co., Inc., may sell and transfer, and West Los Angeles Milling Co. may purchase and acquire, the operative rights and property referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, West Los Angeles Milling Co. shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. West Los Angeles Milling Co. shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the warehouse operations herein to show that it has adopted or established, as its own, said rates, rules and regulations. The tariff filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the consummation of the transfer herein authorized. The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 61-A.

4. On or before the end of the third month, after the consummation of the transfer as herein authorized, West Los Angeles Milling Co. shall cause to be filed with the Commission, in such

form as it may prescribe, an annual report, or reports, covering the period commencing with the first day of the current year to and including the effective date of the transfer.

5. Concurrently with the effective date of tariff filings required by Ordering Paragraph 3 hereof, the prescriptive operative authority held by West Los Angeles Milling Co. as a public utility warehouseman set forth in Decision No. 63434 dated March 27, 1962, in Application No. 44191, is hereby revoked and, in place and stead thereof, prescriptive operative rights as a public utility warehouseman are stated for West Los Angeles Milling Co. as more particularly set forth in Appendix A attached hereto and by this reference made a part hereof.

6. In providing service pursuant to the operative authority set forth herein, West Los Angeles Milling Co. shall comply with and observe the following service regulations:

Within thirty days after the effective date hereof, it shall file a written acceptance of the operative right herein stated. By accepting the operative right, it is placed on notice that it will be required, among other things, to file annual reports of its operations. Failure to file said reports, in such form and at such time as the Commission may direct, may result in a cancellation of the operative right set forth in Appendix A hereof.

After the effective date hereof West Los Angeles Milling Co. may execute the lease according to the terms set forth in the application.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 28th day of July, 1964.

Frederick B. Holbrook  
President  
George C. Hoover  
Commissioners  
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APPENDIX A

WEST LOS ANGELES MILLING CO.  
(a corporation)

West Los Angeles Milling Co., a corporation, possesses prescriptive operative rights as a public utility warehouseman for the operation of storage or warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
Chino and vicinity	56,251
Durham and vicinity	57,000
El Rio and vicinity (Ventura County)	28,600
Sutter and vicinity	52,000

(The floor space shown above is exclusive of the expansion permissible under Section 1051 of the Public Utilities Code.)

Issued by California Public Utilities Commission.  
Decision No. 67605, Application No. 46708.