



space to be operated solely as a public refrigerated warehouse and provide a profit from operations after adding to cost of operations a proper pro rata of corporate administrative expense as plant overhead.

California Poultry Company ceased operation in 1964, having been declared a bankrupt in that year.

Fulham Brothers of California, a fish processing firm, has for many years leased processing facilities from National and National has obtained a large portion of its freezing and storage business from this company. The lease for their processing facility expires December 31, 1965, and they have failed to exercise their renewal option. In addition, National has been informed by Fulham that they have secured processing facilities in Southern California and will move their entire Northern California operation upon expiration of their lease.

National's total utility revenue derived from the above two accounts has constituted more than 80 percent of the total Santa Rosa utility revenue and more than 60 percent of the total Santa Rosa nonutility revenue.

National is currently modernizing its freezing and storage facility at Petaluma to better serve the public requirement in that area. Further, a modern freeway now links the two communities, placing much of the Santa Rosa and Rohnert Park industrial area fifteen minutes or less from National's Petaluma warehouse.

National is in need of funds to construct additional facilities to meet the demands of its customers in some of its locations. The proposed sale will help provide

the necessary funds to take care of the requirements for additional facilities at locations where expansion and modern building construction is urgently needed.

Duplication of local refrigeration and supervisory personnel would be eliminated. From an executive management viewpoint, better supervision could be maintained at less cost.

The depreciated book value of the Santa Rosa plant as shown on the books of account of National is \$135,868.20.

By reference National has incorporated in the application its annual report heretofore filed with the Public Utilities Commission for the calendar year 1964.

Bugatto and LaRocca allege that their nominee for the operation of the cold storage warehouse will be a new corporation, namely, Sonoma Cold Storage and Freezing Company, to be organized under the laws of the State of California. The capitalization of the new corporation has not as yet been determined. Pending the filing of an application by the new corporation for a permit to issue and sell its stock at a price yet to be determined, Bugatto and LaRocca intend to loan and advance to the new corporation sufficient funds to purchase and operate the cold storage warehouse of the Santa Rosa plant pursuant to the terms and provisions of the agreement of purchase and sale, a copy of which is attached to the application as Exhibit A.

National alleges the facts to be that Bugatto and LaRocca are the principal stockholders of California Shellfish Co., Inc., a California corporation, with its principal place of business located at 420 Jefferson Street, San Francisco, California; that Bugatto and LaRocca are the principal stockholders of Point St. George Fisheries, Inc., a California corporation, whose processing operation is located on the property of National at Santa Rosa,

with its principal office located at 420 Jefferson Street, San Francisco, California; that Bugatto and LaRocca are financially responsible individuals, and that there is and will be sufficient and adequate financing made available to their nominee for conducting the cold storage warehousing operation being acquired pursuant to the terms and provisions of the agreement of purchase and sale.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest. A public hearing is not necessary.

The authorization herein granted shall not be construed as a finding of the value of the rights and properties herein authorized to be transferred.

ORDER

IT IS ORDERED that:

1. On or before June 30, 1966, National Ice and Cold Storage Company of California may sell and transfer, and Robert J. Bugatto and Alphonse A. LaRocca 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, Robert J. Bugatto and Alphonse A. LaRocca 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. Robert J. Bugatto and Alphonse A. LaRocca shall amend or reissue the tariffs on file with the Commission, naming rates, rules and regulations governing the warehouse operations herein to show that they have adopted or established, as their 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, Robert J. Bugatto and Alphonse A. LaRocca shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current fiscal 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 right determined by order dated June 6, 1960 and revised by order dated July 26, 1960, in Case No. 6515, is hereby revoked and, in place and stead thereof, prescriptive operative rights as a public utility warehouseman are hereby stated for Robert J. Bugatto and Alphonse A. LaRocca, as particularly set forth in Appendix A attached hereto and for National Ice and Cold Storage Company of California, a corporation, as particularly set forth in Appendix B attached hereto.

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

Dated at San Francisco, California, this 1st day of FEBRUARY, 1966.

Frederick R. Holdess  
President  
George L. Thomas  
Commissioners

Robert J. Bugatto and Alphonse A. La Rocca possess a prescriptive operative right 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>
Santa Rosa	21,186

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

(End of Appendix A)

Issued by California Public Utilities Commission.

Decision No. 70301, Application No. 48091.

National Ice and Cold Storage Company of California possesses a prescriptive operative right 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>
Watsonville and vicinity	82,586
Petaluma	38,114
Marysville	8,834

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

(End of Appendix B)

Issued by California Public Utilities Commission.

Decision No. 70301, Application No. 48091.