

ORIGINAL

Decision No. 71748

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFIC COAST)	
TERMINAL WAREHOUSE COMPANY for)	
an order under Section 816 et)	Application No. 48996
seq. of the Public Utilities)	Filed December 5, 1966
Code authorizing issuance of)	
its capital stock as a stock)	
dividend out of earned surplus.)	
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O P I N I O N

This is an application for an order of the Commission authorizing Pacific Coast Terminal Warehouse Company to issue 2,000 shares of its capital stock having an aggregate par value of \$200,000.

Applicant, a California corporation, is engaged in business as a public utility warehouseman in Los Angeles County. The application shows that at December 31, 1965, the company's outstanding capital stock consisted of 500 shares of the aggregate par value of \$50,000, and that its retained earnings amounted to \$264,310. In this proceeding applicant proposes to issue 2,000 shares of its \$100 par value capital stock as a stock dividend of four shares for each share now issued and outstanding, and to transfer the sum of \$200,000 from retained earnings to its capital stock account.

The Commission has considered this matter and finds that: (1) the proposed stock issue is for a proper purpose; (2) applicant's retained earnings from operations exceed the proposed capital stock dividend to the extent that it may properly issue 2,000 shares of capital stock against such earnings; (3) 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; and (4) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

In issuing our order herein, we place applicant and its shareholders on notice that we do not regard the number of shares outstanding, the total par value of the shares nor the dividends paid as measuring the return applicant should be allowed to earn on its investment in plant, and that the authorization herein given is not to be construed as a finding of the value of applicant's stock or properties nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Pacific Coast Terminal Warehouse Company, on or after the date hereof and on or before March 31, 1967, may issue not to exceed 2,000 shares of its \$100 par value capital stock, at par, in the manner and for the purpose set forth in the application.

2. Pacific Coast Terminal Warehouse Company shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. The effective date of this order is the date hereof.

Dated at San Francisco, California,
this 27th day of DECEMBER, 1966.

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner George G. Grover did not participate in the disposition of this proceeding.

Estes E. Hall President
Frederick B. Holsheff
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Commissioners