

Decision No. 81592

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the public  
utility status of JOHN DENTONI  
CONTRACT WAREHOUSE, a California  
corporation. )

Case No. 9523  
(Filed March 20, 1973)

Marquam C. George, Attorney at Law,  
for John Dentoni Contract Ware-  
house, respondent.  
B. A. Peeters, Attorney at Law, and  
Charles P. Barrett, for the  
Commission staff.

OPINION ON ORDER TO SHOW CAUSE

On March 20, 1973, the Commission issued its order directing John Dentoni Contract Warehouse to appear and show cause why an order should not be issued requiring respondent and its officers and directors to provide designated Commission staff representatives with access to all of respondent's books and records. The Treasurer of respondent corporation was served personally on March 20, 1973. Public hearings were held on April 3 and May 18, 1973 in San Francisco before Examiner Fraser. Only the Commission staff presented evidence. The proceeding was submitted on the last hearing date. Respondent filed a special appearance and made several oral motions to quash the order to show cause and to dismiss the proceeding.

The facts are not in dispute. John Dentoni and his wife Josephine are involved as officers, owners, and directors of J. D. Drayage and J. D. Trucking Company, both entities engaged in for-hire trucking under the jurisdiction of this Commission. The same individuals are officers and owners of respondent and all three entities operate out of the same office and terminal in San Francisco. A Commission representative was denied access to

respondent's records on April 14, 1972. Staff representatives were again denied access on April 19, 1972 during a conference with respondent's officers and counsel. A formal notice to produce the records on May 1, 1972 was served on John Dentoni and his wife on April 27, 1972. The parties served failed to reply to the notice and took no other action. A staff representative made an additional request to see respondent's premises and records on May 11, 1972 while investigating the records of the two corporations subject to Commission jurisdiction.

Respondent's counsel argued that the Commission has no jurisdiction in this proceeding; he stated that respondent is a private warehouse and there is no allegation that it is operating as a public utility, which is necessary to provide some justification for Commission action. Counsel moved to quash the order and to dismiss the proceeding.

#### Discussion

This Commission is authorized to identify a public utility operation. A business entity's records are reviewed and a determination of status is made. If the Commission staff is prohibited from following its normal method of investigation the Commission could no longer perform one of its principal functions. Respondent has filed no legal authorities to support its position.

#### Findings

1. Respondent is a warehouse corporation with all of its stock held by the owner of two entities engaged in for-hire trucking.
2. All three entities operate out of the same premises.
3. The for-hire truck segment of the business is subject to regulation by this Commission.
4. Respondent warehouse may encourage shippers to use the truck service because of its proximity to the truck terminals.
5. The staff request is reasonable and in furtherance of the Commission responsibility to classify and regulate public utility warehouses.

6. Respondent has provided no legal authorities to support its position.

7. The staff request should be granted.

Conclusions of Law

1. This Commission has the jurisdiction and authority to order a warehouse operation to produce its records for inspection for the purpose of determining whether it is subject to regulation.

2. The motion to quash the order and to dismiss the proceeding should be denied.

O R D E R

IT IS ORDERED that:

1. The motion to quash the Order to Show Cause and to dismiss the proceeding is denied.

2. On August 6, 1973 at 10:00 a.m. respondent shall produce all of its business records at respondent's office for inspection by designated staff representatives, who shall be given access to respondent's premises and warehouse.

The Secretary is directed to provide personal service of this order on respondent.

The effective date of this order is the date personal service is made.

Dated at San Francisco, California, this 17<sup>th</sup> day of JULY, 1973.

Vernon L. Sturgeon  
President

J. P. Robinson  
John V. [illegible]  
[illegible]  
Commissioners

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