

ltc

Decision No. 84319

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:)

(a) CITY FREIGHT LINES, a corporation, to transfer, and of CITY DISTRIBUTION SERVICES, a corporation, to acquire, a public warehouse certificate authorizing storage in the Cities of Anaheim, Long Beach and Santa Fe Springs, California.

(b) CITY DISTRIBUTION SERVICES, a corporation, for a certificate of public convenience and necessity authorizing storage of general commodities in the City of Carson, California.

(c) CITY DISTRIBUTION SERVICES, a corporation, to issue shares of its common capital stock and to assume indebtedness.

(d) CITY FREIGHT LINES, a corporation, for authority to sell and transfer warehouse and utility properties.

Application No. 55277
(Filed October 29, 1974;
amended November 21, 1974)

FINAL ORDER

By Interim Decision No. 83817 dated December 10, 1974, applicant City Freight Lines (CFL) was authorized to sell a warehouse certificate and related assets to City Distribution Services (CDS), and the latter was authorized to assume certain liabilities and to issue not exceeding 12,277 shares of \$100 par value common capital stock and certificates representing not

more than 700 additional shares. The application included a request for authority to transfer marketable securities of certain California public utilities, including but not limited to General Telephone Company, Pacific Gas and Electric Company, Southern California Edison Company, and Transcon Lines, from CFL to CDS. The Interim Decision scheduled a public hearing on the basis that CFL had acquired the securities without first obtaining authority from the Commission as required by Section 852 of the Public Utilities Code.

Applicant CFL withdrew its request to transfer the securities to CDS by letter dated February 12, 1975. The letter requested that the Commission ratify and approve the original acquisition of securities by CFL. It was alleged that the securities were acquired in good faith by the management of CFL, which was unaware that authority to purchase the certificates had to be issued before they were obtained.

After consideration, the Commission finds that CFL should be authorized to acquire and hold the securities. A public hearing is not necessary.

IT IS ORDERED that City Freight Lines, a corporation, may acquire and hold the marketable securities listed on Exhibit 3-A, Schedule 1, dated May 31, 1974 attached to the Amendment to Application filed on November 21, 1974.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 15th
day of APRIL, 1975.

Vernon L. Sturgeon
President
William J. Lyons
Robert A. Lyons
Robert A. Lyons
Commissioners