

Decision No. 84928**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of BAKER BROTHERS RICE DRIER AND)
 STORAGE CORPORATION, a California)
 corporation, to Transfer to, and)
 of CIRCLE K RICE DRYER AND STORAGE)
 CORPORATION, a California corpora-)
 tion, to Acquire, a Public Utility)
 Warehouse Prescriptive Right and)
 Operation at Artois, California.)

Application No. 55836
 (Filed July 30, 1975)

OPINION AND ORDER

Baker Brothers Rice Drier and Storage Corporation, a California corporation, operates as a public utility warehouseman at Artois pursuant to a prescriptive operative right as determined by the Commission's order dated September 30, 1960, in Case No. 6972. By this application, it seeks authority to transfer, and Circle K Rice Dryer and Storage Corporation, a California corporation, to acquire the aforementioned operative right.

According to the application, applicant purchaser has the financial resources, experience and personnel to conduct the warehouse services involved. The cash consideration is \$200,000 for the purchase of the operative right, the drier facility, and the surrounding land.

The application was listed on the Commission's Daily Calendar of July 31, 1975. No objection to the granting of the application has been received.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest and, with reasonable certainty, the project involved in this proceeding will not have a significant effect on the environment. A public hearing

is not necessary. The order which follows will provide for, in the event the transfer is completed, revocation of the prescriptive operative right held by Baker Brothers Rice Drier and the issuance of a certificate in appendix form to Circle K Rice Dryer and Storage Corporation.

The authorization granted shall not be construed as a finding of the value of the right authorized to be transferred. Circle K Rice Dryer and Storage Corporation is placed on notice that operative rights, as such, do not constitute a class of property which may be capitalized or used as an element of value in rate fixing for any amount of money in excess of that originally paid to the State as the consideration for the grant of such rights. Aside from their purely permissive aspect, such rights extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

IT IS ORDERED that:

1. On or before February 1, 1976 Baker Brothers Rice Drier and Storage Corporation, a California corporation, may sell and transfer the operative right referred to in the application to Circle K Rice Dryer and Storage Corporation.

2. Within thirty days after the transfer, the transferee shall file with the Commission written acceptance of the certificate and a true copy of the bill of sale or other instrument of transfer.

3. Transferee shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the warehouse operations transferred to show that it has adopted or established as its own, such rates and rules. The tariff filings shall

be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the transfer. 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-Series. Failure to comply with the provisions of General Order No. 61-Series may result in a cancellation of the operating authority granted by this decision.

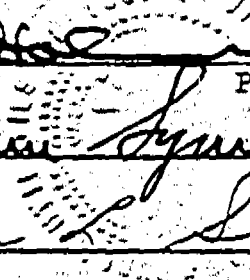
4. In the event the transfer authorized in paragraph 1 is completed, effective concurrently with the effective date of the tariff filings required by paragraph 3, a certificate of public convenience and necessity is granted to Circle K Rice Dryer and Storage Corporation, a California corporation, authorizing it to operate as a public utility warehouseman, as defined in Section 239(b) of the Public Utilities Code, for the operation of storage or warehouse floor space set forth in Appendix A, attached hereto and made a part hereof.

5. The prescriptive operative right as determined by the Commission's order dated September 30, 1960 in Case No. 6972 is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3.

6. Transferee shall maintain its accounting records in conformance with any applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and each year shall file with the Commission an annual report of its operations in such form, content and number of copies as the Commission, from time to time, shall prescribe.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 23rd day of September, 1975.


William J. Harrison Jr. President
Vernon L. Sturgeon

Commissioners

Commissioner Leonard Ross, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Robert Batimovich, being necessarily absent, did not participate in the disposition of this proceeding.

Circle K Rice Dryer and Storage Corporation, a California corporation, by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate as a public utility warehouseman as defined in Section 239(b) of the Public Utilities Code for the operations of storage or warehouse floor space as follows:

<u>Location</u>	<u>Area or Capacity</u>
Artois	5,900 tons bulk storage capacity

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

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

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