

Decision No. 85171

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of COLUSA LAND)
 COMPANY, a California corpora-)
 tion, to transfer a certificate)
 of public convenience and)
 necessity to transact a busi-)
 ness as a public warehouseman)
 to ZUMWALT FARMS, INCORPORATED,)
 a California corporation, inci-)
 dental to a statutory consoli-)
 dation pursuant to Section 4100)
 et seq. of the California)
 Corporations Code.)

Application No. 55962
 (Filed September 25, 1975)

OPINION AND ORDER

Colusa Land Company, a California corporation, operates as a public utility warehouseman at Butte City and vicinity pursuant to a certificate of public convenience and necessity granted by Decision No. 84594, dated June 24, 1975, in Application No. 55683. By this application, Colusa Land Company seeks to transfer, and Zumwalt Farms, Incorporated, a California corporation, to acquire the aforementioned operative right and property.

According to the application, Zumwalt Farms, Incorporated, has the financial resources, experience and personnel to conduct the warehouse services involved. Transferee intends to adopt and continue to use the prescribed rates of the present holder of the authority.

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, the revocation of the certificate held by Colusa Land Company, and the issuance of a certificate in appendix form to Zumwalt Farms, Incorporated.

The authorization granted shall not be construed as a finding of the value of the right and property authorized to be transferred.

Zumwalt Farms, Incorporated, 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 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 cancelled 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 April 1, 1976, Colusa Land Company, may sell and transfer the operative right and property referred to in the application to Zumwalt Farms, Incorporated.
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. On or before the end of the third month after the transfer the transferee 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 year to and including the effective date of the transfer.

5. 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 Zumwalt Farms, Incorporated, 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.


6. The certificate of public convenience and necessity granted by Decision No. 84594 is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3.

7. 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 Secretary is directed to cause service of certified copies of the order to be made upon Colusa Land Company and Zumwalt Farms, Incorporated, or to mail certified copies thereof to them at their last known addresses as shown in the Commission's records and to mail a copy of this order to Jack L. Dawson, Agent.

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


Dated at San Francisco, California this 25th day of November, 1975.



President



Commissioners



Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

Zumwalt Farms, Incorporated, 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 operation of storage or warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
Butte City and vicinity	68,000

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

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

Decision No. 85171, Application No. 55962.