

Decision 84 01 021

JAN 5 1984

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
LEE WAY MOTOR FREIGHT, INC. For)
Authority to Sell its Terminal in)
Bloomington, California to an)
Affiliated Non-carrier, Pursuant to)
Section 851 of the Public Utilities)
Code.)

Application 83-09-07
(Filed September 2, 1983)

O P I N I O N

This is an application by Lee Way Motor Freight, Inc. (Lee Way), a Delaware corporation, which proposes to sell its terminal located at Bloomington, California to PepsiCo, Inc. (PepsiCo) through PepsiCo. to Frito-Lay, Inc. (Frito-Lay), affiliated non-carriers, under Public Utilities (PU) Code Section 851.

A copy of the application was served on the California Trucking Association. Notice of the filing of the application appeared in the Commission's Daily Calendar on September 7, 1983. There are no protests.

The Commission makes the following findings and conclusion.

Findings of Fact

1. A public hearing is not necessary in this matter.
2. Both Lee Way and Frito-Lay are wholly-owned subsidiaries of PepsiCo. Lee Way operates in intrastate commerce under PU Code Section 1063 and 1063.5 highway common carrier certificates, and highway contract and heavy specialized carrier permits under File T-76,263. It also performs interstate operations under appropriate authority issued by the Interstate Commerce Commission (ICC).

3. Lee Way proposes to sell or transfer its terminal property located in Bloomington, California to its parent corporation, PepsiCo. Thereafter, PepsiCo. intends to transfer the terminal property to Frito-Lay. The property consists of 5.05 acres of land and improvements thereon in the form of a terminal facility.

4. Lee Way handles a limited amount of intrastate transportation through the Bloomington terminal. In the calendar year which ended December 31, 1982, only \$21,715.63 in intrastate revenue was generated through that facility. This amounted to about 6.353% of Lee Way's total intrastate revenue during that period. Lee Way's intrastate operations represent a small part of its overall systemwide revenues.

5. Lee Way is to be compensated for its transfer of the Bloomington terminal property to PepsiCo. by direct cash settlement or intra-family corporate transfers or allocations in an amount approximating the \$430,000 stated market value of the property.

6. Lee Way and Frito-Lay intend to enter into a lease whereby Lee Way will continue to have the right to utilize the terminal facility in its interstate and intrastate transportation operations. To the extent that Lee Way requires additional terminal facilities upon the termination of the Frito-Lay lease of the Bloomington terminal, or otherwise, Lee Way is fit, willing, and able to obtain the same.

7. The transfer of ownership of the property here involved will not have an adverse effect on the standard of service rendered by Lee Way to the public.

8. Lee Way's ownership of the terminal property in question is no longer necessary or useful in the performance of Lee Way's duty to the public.

9. The order which follows has no reasonably foreseeable impact upon the energy efficiency of highway carriers.

10. Since the order only affects the parties involved it should be effective on the date of issuance.

Conclusion of Law

The application should be granted.

O R D E R

IT IS ORDERED that:

1. Lee Way Motor Freight, Inc., a Delaware corporation, may sell or transfer, as specified in the application, its terminal facility at Bloomington, California, to PepsiCo, Inc.

2. This authorization shall expire if not exercised by July 30, 1984.

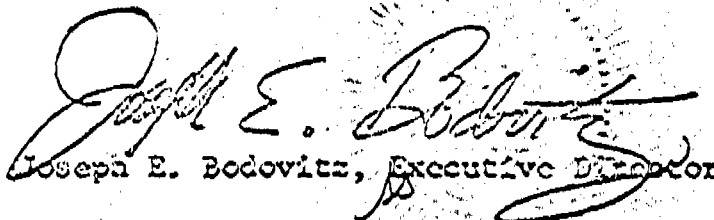
This order is effective today.

Dated JAN 5 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
DONALD VIAL
WILLIAM T. BAGLEY
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director