

Decision 93292 JUL 7 1981

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the application of)
 LEVIN METALS CORPORATION, a Califor-)
 nia corporation, for authority to)
 purchase from PARR-RICHMOND TERMINAL)
 COMPANY, a California corporation,)
 all of the issued and outstanding)
 stock of PARR TERMINAL RAILROAD, a)
 California corporation, and for)
 LEVIN METALS CORPORATION to acquire)
 control of PARR TERMINAL RAILROAD)
 through such purchase pursuant to)
 Section 854 of the California Public)
 Utilities Code, and for an expedited)
 order of the Commission.)

Application 60468
(Filed April 21, 1981)

O P I N I O N

Levin Metals Corporation (Levin) seeks authority to purchase from Parr-Richmond Terminal Company (Seller) all the outstanding stock, and to control Parr Terminal Railroad (Railroad) under Public Utilities (PU) Code, Section 854.

Notice of the filing of the application appeared on the Commission's Daily Calendar of April 23, 1981. No protests have been received.

Levin is a California corporation dealing in both new and used machinery and salvage. Levin's Balance Sheet dated June 28, 1980, reports a stockholders' equity in excess of one million dollars, according to Exhibit D, attached to the application.

Railroad is a railroad corporation as defined in PU Code Section 230. It has two switch engines, weighing facilities and about two miles of track extending from a marine bulk cargo terminal on Richmond Bay, to the interchange tracks of the Southern Pacific Transportation Co. and the Santa Fe Railway. The operation of Railroad has also been conducted in interstate commerce under authority obtained from the Interstate Commerce Commission in 1950 in Finance Docket No. 17072.

Railroad reported operating revenues for the twelve months ended December 31, 1980, of \$18,273 and a net loss of \$34,867, according to Exhibit C, attached to the application. Railroad's Balance Sheet, as of December 31, 1980, taken from its annual report to the Commission is as follows:

<u>Assets</u>	<u>Amount</u>
Net Road and Equipment	\$ 56,631
Total Current Assets	<u>1,746</u>
Total	\$ 58,377
 <u>Liabilities and Equity</u>	
Accounts Payable	\$ 544
Long-Term Liabilities and Deferred Credits	189,476
Capital Stock	53,000
Retained Earnings	<u>(184,643)</u>
Total	\$ 58,377

Parr-Richmond Terminal Company, a California corporation, owns all of the issued and outstanding capital stock of Railroad, consisting of 5300 shares. The sale of the stock of Railroad for the sum of \$75,000 is part of an \$8,000,000 purchase transaction between Seller and Levin.

Seller's other nonutility assets which are to be sold to Levin for \$8,000,000, include the marine dock and terminal in Richmond, California, adjacent real property, a scrap yard, storage buildings, engine repair shops, truck cranes, office equipment, etc. The transaction includes a tax free exchange of real property with United States Gypsum Company, not subject to the jurisdiction of this Commission. Included in the transaction is the acquisition of real property of Seller upon which the track of Railroad is situated.

In support of its application, Levin shows financial capability in that it reports net income before taxes for the fiscal year ended June 28, 1980 in excess of \$1,000,000 according to Exhibit D, attached to the application.

The application indicates the personnel conducting the operations of Railroad will continue to do so as long as they wish to be employed by Railroad. To the extent that further personnel or facilities may be required to properly accommodate the traffic involved, Levin will provide Railroad with necessary assistance to do so.

Levin, through its attorney requests that the proposed authority be made effective when signed, due to the fact that the collateral financial transactions involved are effective pending Commission authority to transfer control of Railroad.

The Revenue Requirements Division and the Transportation Division have reviewed the application and have no objection to Levin's obtaining control over Railroad.

Findings of Fact

1. Railroad, a California corporation, operates as a public utility subject to the jurisdiction of this Commission.
2. The proposed transfer of capital stock from Seller to Levin is not adverse to the public interest.
3. The exercise of control over Railroad by Levin is not adverse to the public interest.
4. The authority to transfer control should be made effective on the date of signature.
5. There is no known opposition and no reason to delay granting the authority requested.

Conclusions of Law

1. A public hearing is not necessary.
2. The application should be granted to the extent set forth in order which follows.

This authorization is not a finding of the value of the rights and properties to be transferred.

O R D E R

IT IS ORDERED that:


1. On or after the effective date of this order and on or before December 31, 1981, for the purposes specified in the application, Parr-Richmond Terminal Company may sell and Levin Metals Corporation may buy all the issued and outstanding common capital stock of Parr Terminal Railroad.

2. After the transfer of Parr Terminal Railroad's common capital stock, Levin Metals Corporation may exercise control of and operate Parr Terminal Railroad.

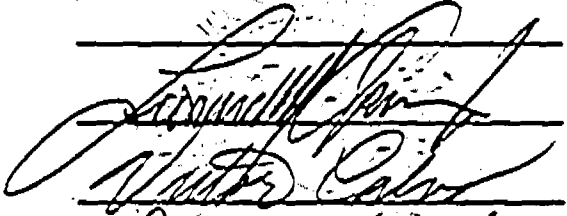
3. Within 30 days after the transfer of control has been accomplished, Levin Metals Corporation shall notify the Commission of that fact.

This order is effective today.


Dated JUL 7 1981, at San Francisco, California.



President



Member



Commissioners

Commissioner Richard D. Gravello, being necessarily absent, did not participate in the disposition of this proceeding.