

Decision No. 44639

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of Holly Meat Packing Company to )  
operate a public cold storage )  
warehouse in Oakland, California. )

Application No. 31522

Appearances

Louis J. Figone, Joseph L. Alioto and  
Walter F. Calcagno, for applicant.

O P I N I O N

By this application, filed June 22, 1950, Holly Meat Packing Company, a corporation, seeks a certificate of public convenience and necessity authorizing it to operate a public utility cold storage warehouse at Oakland. The warehouse structure involved will have a floor area of 3,200 square feet. The estimated storage capacity of the building is 800 tons. Applicant proposes to dedicate approximately 2,000 square feet of the floor area to public utility storage. This area would accommodate approximately 500 tons. The building is expected to be completed on or about September 30, 1950. Applicant proposes to establish the same storage and handling rates and charges as are now applicable at the other public utility cold storage warehouses in Oakland.

A public hearing was had at San Francisco on July 26, 1950, before Examiner Mulgrew.

Applicant's treasurer testified that his company has had considerable difficulty in storing meat and packing house products because the available public utility cold storage facilities were frequently filled to capacity. He stated that existing warehousemen were often unable to accept additional business. He further testified that his company decided to build its own cold storage facilities. Various storers have asked the company to make its facilities available for their use.

Other witnesses corroborated the treasurer's testimony respecting difficulties in obtaining required cold storage warehouse space in Oakland. They said that there has been no increase in the available facilities for some ten years. They anticipated greater demands for storage space in the future. The lack of adequate public storage in Oakland, they claimed, has handicapped them in serving the East Bay market.

Competing warehousemen and other interested parties were notified. No one appeared in opposition to the granting of the sought certificate.

The record shows that there is need for the proposed additional public utility cold storage facilities in Oakland. We find that public convenience and necessity require the establishment and operation by the applicant of a public utility warehouse to the extent set forth in the ensuing order.

Holly Meat Packing Company is hereby placed upon 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, they extend to the holder a full or partial monopoly of a class of business. This monopoly feature may be changed or destroyed at any time by the State, which is not in any respect limited to the number of rights which may be given.

O R D E R

Public hearing having been had and the Commission, upon the evidence received, having found that public convenience and necessity so require,

IT IS HEREBY ORDERED that a certificate of public convenience and necessity be and it is hereby granted to Holly Meat Packing Company, a corporation, authorizing the establishment and operation of a service as a warehouseman, as defined in Section 2½ of the Public Utilities Act, of not to exceed 2,000 square feet of cold storage warehouse floor space, at Oakland for the handling of any and all commodities which may require refrigeration while being stored.

IT IS HEREBY FURTHER ORDERED that in providing service pursuant to the certificate herein granted applicant shall comply with and observe the following service regulations:

1. Applicant shall file a written acceptance of the certificate herein granted within a period of not to exceed thirty (30) days after the effective date hereof.

2. Within ninety (90) days after the effective date hereof and on not less than five (5) days' notice to the Commission and to the public, applicant shall establish the service herein authorized and comply with the provisions of General Order No. 61, by filing in duplicate and concurrently making effective, appropriate tariffs.

This order shall become effective twenty (20) days after the date hereof.

Dated at San Francisco, California, this 8<sup>th</sup> day of August, 1950.

Justin F. Casanova  
Wm. H. Powell  
Harold A. Kula  
Marion H. Potter  
Commissioners