

ORIGINAL

Decision No. 47352

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
Union Ice & Storage Company, a cor-)	
poration, for a certificate of public)	Application No. 33313
convenience and necessity authorizing)	
it to operate a cold storage warehouse)	
in Oakland, California.)	

Appearances

Reginald L. Vaughan, for applicant.
 Alvin Christiansen, for Pacific
 States Cold Storage Warehousemen's
 Association, interested party.

O P I N I O N

Union Ice & Storage Company, a corporation, is a public utility warehouseman providing cold storage service in various cities in California. By this application, it seeks a certificate of public convenience and necessity authorizing it to establish and operate a public utility cold storage warehouse in Oakland. For these operations, applicant would lease a portion of the ice manufacturing plant of Union Ice Company, an affiliate, which has unoccupied space available. The space that would be dedicated to public utility storage has a floor area of 16,590 square feet. This area would accommodate approximately 3,640 tons of goods. All classes of commodities that require refrigeration while being stored would be handled. It is proposed to establish storage and handling rates and charges similar to those applicable at the other public utility cold storage warehouses in Oakland.

A public hearing of the application was held at Oakland on May 29, 1952, before Examiner Jacopi.

Applicant's manager testified that surveys made by his company showed that the available public utility cold storage

facilities frequently were filled to capacity. He stated that existing warehousemen often were unable to accommodate additional business, particularly during the peak periods of the year. Assertedly, processors of various food products had requested applicant to provide cold storage facilities.

The witness testified further that a number of storers of frozen foods now utilizing applicant's facilities in Hayward had indicated that it was unduly burdensome to continue to haul from that point the substantial amounts of the foods that are distributed in Oakland and nearby territory. Assertedly, the proposed Oakland facilities also would satisfy the cold storage needs of these concerns. The Hayward facilities would be used by these patrons for the frozen foods distributed to points south of Hayward as far as San Jose.

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 applicant of a public utility warehouse to the extent set forth in the ensuing order.

Union Ice & Storage Company is hereby 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, 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 held 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 Union Ice & Storage Company, a corporation, authorizing the establishment and operation of a service as a warehouseman, as defined in Section 239(b) of the Public Utilities Code, of not to exceed 16,590 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 *24th* day of June, 1952.

R. J. ...

 President

James F. ...

Harold ...

... Patten

... E. ...

 Commissioners