

ORIGINALDecision No. 58051

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
 FLOYD CLOUSE, LEANOR CLOUSE,
 FRANK E. HOGAN and MINA HOGAN,
 partners doing business as SACRAMENTO
 WAREHOUSE CO., for a certificate of
 public convenience and necessity
 authorizing operations as a public
 warehouseman in the City of Sacramento,
 California.

Application No. 40693

OPINION AND ORDER

Floyd Clouse, Leonor Clouse, Frank E. Hogan and Mina Hogan have filed an application requesting a certificate of public convenience and necessity authorizing them to operate as a public warehouseman in the City of Sacramento. The applicants request that this certificate authorize them to store general commodities but that the certificate be restricted in that they not be authorized to conduct cold storage operations. The applicants request authority to operate as a public warehouseman in 36,250 square feet of space. At the present time the applicants are operating on a small scale as a private warehouseman with two customers and the application alleges that they desire to dedicate their facilities to the public use.

The verified application shows that the applicants are presently engaged in the business of operating a warehouse comprised of 36,250 square feet of warehouse space at 5031 - 24th Street in Sacramento; that the facilities operated by the applicants include a one-story building of reinforced concrete and tilt side construction,

with sixteen-foot trusses; that the building has spur track facilities served by the Western Pacific Railroad; that applicants have a twenty-year lease on the property at a rental of \$1620 per month; that this lease is with an independent landlord; and that applicants have a fork lift truck and an adequate supply of pallets and other equipment necessary for operations as a public warehouseman. The application also alleges that presently existing facilities in the City of Sacramento are inadequate to accommodate the needs of the storing public, and that public convenience and necessity require and will require the granting of the authority requested.

The applicants propose to charge the going rates for storage and handling services as a public warehouseman of general commodities in the City of Sacramento by becoming a party to the California Warehouse Tariff Bureau, Warehouse Tariff No. 18, California PUC No. 108, L. A. Bailey Series, Jack L. Dawson, Agent.

Competing warehousemen have been advised of the filing of this application and have stated that they do not object to its being granted.

It appears that this is a matter in which a public hearing is not necessary; and that there is a need for the proposed additional public utility warehouse facilities in the City of Sacramento. We find that public convenience and necessity require the establishment and operation by the applicants of public utility warehouses to the extent set forth in the ensuing order. A public hearing does not appear to be necessary.

Floyd Clouse, Leonor Clouse, Frank E. Hogan and Mina Hogan are 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 modified or canceled at any time by the State, which is not in any respect limited as to the number of rights which may be given.

Therefore, good cause appearing,

IT IS ORDERED that a certificate of public convenience and necessity is hereby granted to Floyd Clouse, Leonor Clouse, Frank E. Hogan and Mina Hogan, authorizing the establishment and operation of service as a warehouseman as defined in Section 239 (b) of the Public Utilities Code, at 5031 - 24th Street, Sacramento, California, and limited to not more than 36,250 square feet of warehouse floor space at that location. This certificate is limited, however, in that the applicants shall not conduct any cold storage operations.

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

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

2. Within ninety days after the effective date hereof and on not less than five days' notice to the Commission and to the public, applicants 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 days after the date hereof.

Dated at San Francisco, California, this 24th day of February, 1959.

C. L. Fox
President
W. H. ...
W. H. ...
Theodore H. ...
Everett ...
Commissioners