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Decision No.

60449



BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of ) CONSOLIDATED WAREHOUSE COMPANY OF ) CALIFORNIA, a corporation, for authority) Application No. 42449 to discontinue and abandon public ware- ) house. )

## OPINION AND ORDER

Consolidated Warehouse Company of California was granted an in-lieu certificate of public convenience and necessity by Decision No. 60167, dated May 24, 1960, in Application No. 42136, authorizing it to operate 118,000 square feet of warehouse floor space in the City and County of San Francisco for the storage of property as a public utility warehouseman.<sup>1</sup>

By this application, filed July 8, 1960, applicant now seeks authority, under Section 851 of the Public Utilities Code, to discontinue and abandon 58,000 square feet of its present public warehouse space located at 139-149 Townsend Street, San Francisco. This warehouse space is presently rented by applicant under the terms of a lease agreement which provides for a monthly rental charge of \$1,350. The lease is due to expire August 31, 1960.

Applicant states that, upon abandonment of this warehouse facility, it will move the single lot of property now stored therein to its remaining warehouse facility located at First and Federal Streets, San Francisco, at its own expense and risk. It asserts that discontinuance of the Townsend Street warehouse facility will not be adverse to the public interest.

Decision No. 60167, supra, also authorized applicant to abandon 58,000 square feet of warehouse space located at First and Brannan Streets and to abandon in its entirety the public warehouse located at 100-116 Howard Street, both in San Francisco.

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Applicant's cost and revenue statement, Appendix "A" of the application, indicates that revenue derived from the warehouse property herein sought to be abandoned has declined from \$1,350 in the eleventh four-week accounting period of 1959, to \$90 in the fifth such period of 1960.

The application recites that the lessor of the property involved has notified applicant by letter that he does not intend to renew the existing lease beyond the expiration date of August 31, 1960, and also that the monthly rental to applicant will triple after said date. The lessor has given applicant an alternative of saving the rental charge of \$1,350 for the month of August, 1960, providing it vacates said premises on or before July 31, 1960.

Applicant alleges that during the past six months its warehouse at First and Federal Streets has operated at from 60 to 70 percent of its total capacity and that this warehouse can easily absorb the small volume of business recently handled at the Townsend Street location. Applicant states that, if it is authorized to abandon the Townsend Street location thus combining all of its public warehouse operations at the First and Federal Streets address, it believes and expects that the resulting reduction in total expenses will allow it to operate with increased efficiency and that both the public and applicant will benefit from the economies involved.

Upon consideration of the allegations contained in the application, it appears, and the Commission finds, that the proposed discontinuance and abandonment of the public utility warehouse operations as sought herein will not be adverse to the public interest. The applicant will be authorized to withdraw from said operations. A public hearing is not necessary. This order will be made effective upon the date hereof to enable applicant to vacate the premises involved on or before July 31, 1960.

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Therefore, good cause appearing,

IT IS ORDERED:

(1) That Consolidated Warehouse Company of California is hereby authorized to discontinue and abandon 58,000 square feet of public warehouse space at 139-149 Townsend Street in the City and County of San Francisco.

(2) That applicant shall pay, for its own account, and at no expense or risk to the storer, any and all costs incidental to the transfer of the single lot of property, presently stored at 139-149 Townsend Street, to applicant's remaining warehouse space at First and Federal Streets, San Francisco.

(3) That within thirty days after the effective date hereof, and on not less than five days' notice to the Commission and to the public, applicant shall amend its tariffs presently on file with this Commission to reflect the authority herein granted.

(4) That within thirty days after the effective date hereof, applicant shall notify his storage patrons, in writing, of the authority herein granted.

This order shall become effective on the date hereof: Dated at <u>San Francisco</u>, California, this <u>26</u> day of July, 1960.

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