

ORIGINAL

Decision No. 73376

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application
of ACE CITY DELIVERY, a corporation,
doing business as ACE CITY
WAREHOUSE, for authority to Increase
Public Utility Warehouse space
within Los Angeles County.

Application No. 49694
(Filed September 28, 1967)

OPINION AND ORDER

Ace City Delivery is a California corporation, doing business as Ace City Warehouse, and is presently operating a public utility warehouse as defined in the Public Utilities Code of the State of California under Section 239(b) at 5600 East Slauson Avenue, Los Angeles, California, 90022 (Los Angeles County). Said authority was a prescriptive right of Alco Transportation Co., determined by order of the Commission dated July 12, 1960 in Case No. 6613 and acquired by applicant from said corporation by purchase authorized by the Commission in Decision No. 65979 dated September 10, 1963, in Application No. 45545.

Applicant requests authority to increase its public utility warehouse space from the 4,000 square feet heretofore authorized to 90,000 square feet to be exclusive of expansion permissible under Section 1051 of the Public Utilities Code.

Applicant alleges that it has received numerous inquiries from old and new accounts seeking additional warehouse space; that its public warehousing business has increased substantially during the past year and that there is every indication that it will continue to grow in the future. Applicant alleges that it has available 91,000 square feet all of similar construction and type as that presently being used and that it is ideally suited for warehousing operations. Applicant alleges mailing of a copy of the application to the Los Angeles Warehousemen's Association.

Applicant attached to its application a copy of its balance sheet dated June 30, 1967 which shows:

Cash & Receivables		\$ 52,851.97	
Equipment less depreciation		37,747.72	
Security deposits, etc.		<u>3,107.59</u>	
			\$ 93,707.28
Payables	\$ 47,350.59		
Capital stock	10,039.11		
Retained Earnings & Increases	<u>36,317.58</u>		<u>\$ 93,707.28</u>

Also attached to the application is a copy of its profit and loss statement for the period from January 1 to June 30, 1967 which shows:

Trucking Income	\$160,863.16	
Warehouse Income	<u>109,602.02</u>	
	Total Income	\$270,465.18
Direct Trucking Expense	\$ 91,514.59	
Warehouse Expense	34,221.26	
General Expense	103,876.13	
Provision for Federal Income Tax	13,109.54	
Retained Earnings	<u>27,743.66</u>	
		\$270,465.18

The rates which applicant proposes to charge are the same as those presently in effect as set forth in California Warehouse Tariff Bureau, Warehouse Tariffs Nos. 28-A and 29-A, California Public Utilities Commission Nos. 193 and 194, issued by Jack L. Dawson, Agent.

A letter (Exhibit 1) has been received from the Los Angeles Warehousemen's Association stating that the Association has reviewed the application and that it has no objection to the granting of the application. The Commission's Transportation Division has reviewed the application and recommends by Exhibit 2 that it be granted.

No protest to the application has been received.

Upon consideration of the record the Commission finds that the applicant possesses the experience, equipment, personnel, and financial resources to institute and maintain the public utility warehouse and that public convenience and necessity require the proposed operation.

A public hearing is not necessary. The application will be granted.

Ace City Delivery, a corporation, doing business as Ace City Warehouse, 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, such rights 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.

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Ace City Delivery, a corporation, doing business as Ace City Warehouse, as a public utility warehouseman, as defined in Section 239(b) of the Public Utilities Code, for the operation of storage or warehouse floor space as set forth in Appendix A attached hereto and made a part hereof.

In providing service pursuant to the certificate herein granted, applicant shall comply with and observe the following service regulations. Failure so to do may result in a cancellation of the operating authority granted by this decision.

- (a) Within thirty days after the effective date hereof, applicant shall file a written acceptance of the certificate herein granted. Applicant is placed on notice that, if it accepts the certificate of public convenience and necessity herein granted, it will be required, among other things, to file annual reports of its operations.
- (b) Within one hundred twenty days after the effective date hereof, applicant shall establish the service herein authorized and file tariffs, in triplicate, in the Commission's office.
- (c) The tariff filings shall be made effective not earlier than ten days after the effective date of this order on not less than ten days' notice to the Commission and the public, and the effective date of the tariff filings shall be concurrent with the establishment of the service herein authorized.

(d) The tariff filings made pursuant to this order shall comply with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 61-A.

The effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 21st day of NOVEMBER, 1967.

John E. Mitchell
President

Reginald

William J. Benson Jr.

Paul P. Monahan
Commissioners

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

BR/AB */ds *

Appendix A ACE CITY DELIVERY, a corporation Original Page 1
doing business as
ACE CITY WAREHOUSE

Ace City Delivery, a corporation, doing business as
Ace City Warehouse, possesses a certificate of public convenience
and necessity as a public utility warehouseman for the operation of
storage or warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
5600 East Slauson Avenue, Los Angeles, California 90022 Los Angeles County	90,000

(The floor space shown above is exclusive
of the 50,000 square feet of expansion
permissible under Section 1051 of the
Public Utilities Code.)

End of Appendix A

Issued by California Public Utilities Commission.

Decision No. 73376, Application No. 49694.