

ORIGINAL

Decision No. 74395

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of WALTON DRAYAGE & WAREHOUSE
CO., INC., for a certificate of
public convenience and necessity
to operate as a warehouseman.

Application No. 50240
(Filed May 16, 1968)

O P I N I O N

Walton Drayage & Warehouse Co., Inc., presently operating as a public utility warehouseman in Alameda, requests a certificate of public convenience and necessity authorizing warehouse operations in Oakland and seeks authority to discontinue warehouse operations at its present location in Alameda.

Applicant is presently operating pursuant to a certificate issued by the Commission's order in Case No. 6690, dated August 1, 1960. This operating authority encompasses 36,000 square feet of floor space at 2424 Blanding Avenue in Alameda.

Applicant states that it requests authority to operate a storage facility having 40,000 square feet in Oakland because the present facility has become inadequate. The present operation is inefficient and difficult because it involves three separate buildings, limited railroad unloading space, and heavy vehicular traffic congestion.

After several years of investigation, applicant relates that it has found a warehouse building at 8707 San Leandro Street, Oakland, which is approximately three miles from its present location. Since the current facility in Alameda is located 300 to 400 feet from the Oakland-Alameda city boundaries, the general service area will not be

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affected by the change in warehouse location. The new facility is specifically designed for warehouse operations, and it includes adequate rail car unloading space and a large vehicle parking area.

A copy of the application was mailed to California Warehousemen's Association on or about May 8, 1968. The application was listed on the Commission's Daily Calendar of May 17, 1968. No objection to the granting of the application has been received.

After consideration the Commission finds that:

1. The proposed transfer of the location of the public warehouse would not be adverse to the public interest.
2. Public convenience and necessity no longer require operation of the Alameda warehouse.
3. Public convenience and necessity require that applicant operate a public warehouse at Oakland.
4. A public hearing is not necessary.

The Commission concludes that the application should be granted. The order which follows will provide for the revocation of the operative right presently held by applicant and the issuance of a certificate of public convenience and necessity to applicant.

Walton Drayage & Warehouse Co., Inc., 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 at a particular location. 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.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Walton Drayage & Warehouse Co., Inc., a corporation, 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.

2. 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.

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3. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the prescriptive warehouse operative right possessed by applicant pursuant to Decision No. 64844 dated January 29, 1963, in Application No. 45008, which prescriptive right is revoked concurrently with the effective date of the tariff filings required by paragraph 2(b) hereof.

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

Dated at San Francisco, California, this 16th day of JULY, 1968.

William Lynous Jr.
President
William C. Bennett

August
John P. Morrissey
Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.

Appendix A Walton Drayage & Warehouse Co., Inc. Original Page 1
(a corporation)

Walton Drayage & Warehouse Co., Inc., by the certificate of public convenience and necessity granted in the decision noted in the margin, is authorized to operate 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>
Oakland	40,000

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

(End of Appendix A)

Issued by California Public Utilities Commission.

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