

ORIGINAL

Decision No. 78865

## BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
 ROBERTSON DRAYAGE CO., INC., a cor-  
 poration, to transfer to COAST  
 DRAYAGE, a corporation, a certifi-  
 cate of public convenience and neces-  
 sity to operate as a public warehouse-  
 man in the City of Oakland.

Application No. 52627  
 (Filed May 19, 1971)

O P I N I O N

Robertson Drayage Co., Inc. requests authority to sell and transfer, and Coast Drayage requests authority to purchase and acquire, a certificate of public convenience and necessity authorizing operations as a public utility warehouseman.

The certificate is prescriptive in nature and authorizes operations in 30,000 square feet of space in the City of Oakland. The agreed cash consideration is \$7,000. Applicant purchaser is presently engaged as a highway common carrier and as of December 31, 1970 indicated a net worth in the amount of \$251,920.

If the transfer is authorized applicant purchaser proposes to either purchase or lease suitable space in Oakland and will adopt those rates and rules governing warehouse operations as presently published by applicant seller.

The same certificate was the subject of sale to R. D. Michael which was approved by Decision No. 78002 dated December 1, 1970, in Application No. 52203. The sale was never consummated and the present sale was subsequently negotiated.

After consideration the Commission finds that the proposed sale would not be adverse to the public interest. A public hearing is not necessary.

Coast Drayage 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, these 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.

O R D E R

IT IS ORDERED that:

1. On or before May 1, 1972, Robertson Drayage Co., Inc. may sell and transfer, and Coast Drayage may purchase and acquire, the operative rights referred to in the application.

2. Within thirty days after the consummation of the transfer herein authorized, purchaser shall notify the Commission, in writing, of that fact and within said period shall file with the Commission a true copy of any bill of sale or other instrument of transfer which may be executed to effect said transfer.

3. Purchaser shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the warehouse operations herein to show that it has adopted or established, as its own, said rates and rules. 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 consummation of the transfer herein authorized.

The tariff filings made pursuant to this order shall comply in all respects with the regulations governing the construction and filing of tariffs set forth in the Commission's General Order No. 61-A. Failure to comply with and observe the provisions of General Order No. 61-A may result in a cancellation of the operating authority granted by this decision.

4. On or before the end of the third month after the consummation of the transfer as herein authorized, purchaser shall cause to be filed with the Commission, in such form as the Commission may prescribe, an annual report, or reports, related to the operations of the seller for the period commencing with the first day of the current fiscal year to and including the effective date of the transfer.

5. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and necessity is granted to Coast Drayage, 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.

6. The certificate of public convenience and necessity granted in paragraph 5 of this order shall supersede the prescriptive right authorizing public utility warehouse operations by seller in Oakland, which right is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

7. Within thirty days after the transfer herein authorized is consummated, purchaser shall file a written acceptance of the certificate herein granted. Purchaser 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.

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

Dated at San Francisco, California, this 29th day of JUNE, 1971.

[Signature]  
Chairman  
William J. Lyons Jr.  
[Signature]  
Vernon L. Sturgeon  
Commissioners

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.

Coast Drayage, a corporation, 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 as defined in Section 239(b) of the Public Utilities Code for the operation of storage or warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
Oakland	30,000

(The floor space shown 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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