

Decision No. 79270**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 J & R WAREHOUSES & SERVICE CO., INC.,)
 a corporation, for a certificate of)
 public convenience and necessity to)
 operate a warehouse in the City of)
 Emeryville.)

Application No. 52778
 Filed July 29, 1971

O P I N I O N

Applicant J & R Warehouses & Service Co., Inc., a corporation seeks a certificate of public convenience and necessity to operate 75,000 square feet of warehouse space in Emeryville, exclusive of the expansion permissible under Section 1051 of the Public Utilities Code. A copy of the application was served upon the California Warehouseman's Association and upon Bay Cities Warehouse Co., Inc., the only public warehouse located in the City of Emeryville. The application was listed on the Commission's Daily Calendar of July 30, 1971. No protest has been received.

Applicant alleges that:

1. Applicant is and has been conducting operations as a private warehouse in the City of Emeryville. By reason of its past operations, applicant has gained the expertise and experience necessary to operate a warehouse operation which will be responsive to the needs of the general public.

2. Its officers and other operating employees are thoroughly familiar with the warehouse business and the manner and method by which problems and difficulties associated therewith can be ameliorated if not eliminated. It has developed certain innovations in warehousing and its operation has proven to be not only efficient but economically successful and has been received with much acclaim by those persons presently storing with applicant.

3. Applicant has received a substantial number of requests from various companies, both large and small, asking it to institute a warehouse operation in the City of Emeryville. Requests received by applicant to institute public warehouse operations in Emeryville closely approximate the space herein requested.

4. The rates and charges to be assessed by applicant will be on the level of the prevailing rates in the San Francisco Bay area.

5. Applicant has the financial ability to render the proposed service. A balance sheet of applicant as of January 31, 1971, and a statement of income and expenses of applicant for the fiscal year February 1, 1970 through January 31, 1971 are attached to the application as Exhibit B.

In view of these allegations and of the absence of protest the Commission will grant the application.

The Commission finds that:

1. Applicant has the facilities, personnel and financial resources to render the service proposed in the application.

2. Public convenience and necessity require that the application be granted.

3. A public hearing is not necessary.

The Commission concludes that the application should be granted as provided by the following order.

Applicant 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 in particular communities. 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.

The action taken herein is for the issuance of a certificate of public convenience and necessity only and is not to be considered as indicative of amounts to be included in proceedings for the purpose of determining just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to J & R Warehouses & Service Co., Inc., a corporation, as a public utility warehouseman, as defined in Section 239(c) 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.

3. Applicant shall comply with the regulations of the California Department of Public Health concerning hazardous or toxic commodities and shall include in its tariff a rule reading substantially as follows:

Hazardous or Toxic Commodities:

The warehouseman will not be required to accept for storage any commodity of a toxic nature which could contaminate other commodities in storage or be hazardous to the health of warehouse personnel. At warehouseman's option such hazardous or toxic commodities, when properly packaged and labeled to reduce contamination and health hazard to a minimum, may be accepted for storage in an area isolated from other commodities subject to contamination. Any additional services in the way of warehouse labor or excessive use of space arising from isolation of such commodities will be charged to the storage account.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 27th day of OCTOBER, 1971.

[Signature]
Chairman
[Signature]
[Signature]
Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.

J & R Warehouses & Service Co., Inc., 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(c) 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>
Emeryville	75,000

(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.
Decision No. 79270, Application No. 52778.