

Decision No. 79897

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of: }

(a) HUSKIE FREIGHTWAYS, INC., a  
corporation, to purchase, and  
CLARENCE R. SMITH, surviving spouse  
of MAXINE RAE SMITH, deceased,  
doing business as GRIFFITH TRANSFER  
& STORAGE CO., to sell prescriptive  
warehouse authority, pursuant to  
Section 851, et seq., and Section  
1052 of the California Public  
Utilities Code; and upon approval  
thereof, }

Application No. 53155  
(Filed February 14, 1972)

(b) To operate as a public ware-  
houseman in Vernon, California;  
and }

(c) For authorization to cease  
operations at Alhambra, California. }

O P I N I O N

Clarence R. Smith, as surviving spouse of Maxine Rae Smith, requests authority to sell and transfer and Huskie Freightways, Inc., requests authority to purchase and acquire a certificate of public convenience and necessity authorizing operations as a public utility warehouseman in 2,400 square feet of space in the City of Alhambra. Applicant purchaser also requests that the authority to operate as a public utility warehouseman be changed from the City of Alhambra to the City of Vernon.

The authority is prescriptive in nature and was set forth in Commission order dated June 28, 1960 in Case No. 6580. Maxine Rae Smith died on July 7, 1971, and since all property was held in joint tenancy no probate was opened, nor contemplated. The agreed cash consideration for the certificate is \$6,000.

Applicant purchaser is presently operating as a highway common carrier for the transportation of general commodities in the Los Angeles Territory. As of December 31, 1970, applicant purchaser indicated a net worth in the amount of \$154,050.

It is alleged that applicant purchaser has received numerous requests from storers for service at Vernon; that it has two concrete tilt-up fully sprinklered buildings at Vernon consisting of approximately 46,000 square feet, of which 41,000 square feet is available and adapted to warehouse operations; that said buildings are served by rail spur; that none of applicant seller's present storers have any objection to the transfer of operations; and that applicant seller is prepared to pay the cost of moving the property of said storers.

A copy of the application was served upon the Los Angeles Warehouseman's Association which indicated by letter dated February 22, 1972, that it had no protest to the granting of the authority requested.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest; that public convenience and necessity no longer require operations as a public utility warehouseman by applicant seller in the City of Alhambra and that public convenience and necessity require the operations of applicant purchaser as a public utility warehouseman in 2,400 feet of space in the City of Vernon. A public hearing is not necessary. The application will be granted by granting a new certificate in appendix form.

Applicant purchaser 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 December 1, 1972, Clarence R. Smith may sell and transfer and Huskie Freightways, Inc., may purchase and acquire the operative rights referred to in the application subject to the condition that Clarence R. Smith shall transfer, at his expense, the property of storers to the facilities at Vernon or, at the choice of his storers, to public utility warehouses located in the Alhambra area.
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.

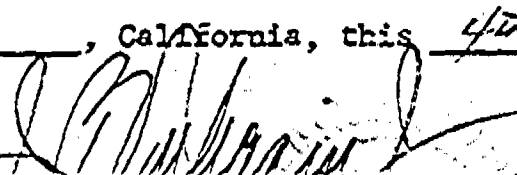
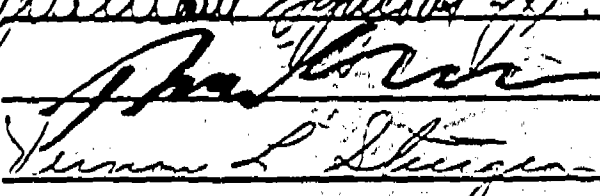

5. In the event the transfer authorized in paragraph 1 hereof is consummated, a certificate of public convenience and necessity is granted to Huskie Freightways, Inc., a corporation, as a public utility warehouseman, as defined in Section 239(b) of the Public Utilities Code, for the operation of storage or warehouse floor space as set forth in Appendix A attached hereto and made a part hereof.

6. The certificate of public convenience and necessity granted in paragraph 5 of this order shall supersede the certificate of public convenience and necessity set forth in Commission order dated June 28, 1960, in Case No. 6580, which certificate 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 4th  
day of APRIL, 1972.

  
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Chairman  
  
\_\_\_\_\_  
Vernon L. Sturgeon  
  
\_\_\_\_\_  
Commissioners

Huskie Freightways, 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 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>
Vernon	2,400

(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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