

Decision No. 80499

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of PVO INTERNATIONAL INC., a  
corporation of California, for a  
Certificate of Public Convenience  
and Necessity authorizing operations  
as a public warehouseman at  
Richmond, California.

Application No. 53473  
(Filed July 24, 1972)

O P I N I O N

PVO International Inc. (formerly Pacific Vegetable Oil Corporation), a California corporation, seeks a certificate of public convenience and necessity authorizing operations as a public utility warehouseman for the storage of crude coconut oil in bulk.

The application indicates that PVO International Inc. owns seven storage tanks located at 1145 South Tenth Street, Richmond, having a total capacity of 9,900,000 pounds.

The application states that the applicant intends to issue negotiable warehouse receipts registered with the Pacific Commodities Exchange on forms prescribed by said Exchange, and that the crude coconut oil stored by applicant will be delivered against contracts traded on the Exchange.<sup>1/</sup>

The application alleges that applicant has the necessary experience and financial ability to operate the proposed warehousing facility. The application states that applicant owns all of the capital stock of Stockton Elevators, a consolidated subsidiary, which operates a federally regulated warehouse for the storage of grain. Attached to the application are financial statements of applicant which indicate that it has adequate financial resources to conduct the proposed operations.

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<sup>1/</sup> The operation of the warehouse is contingent upon the issuance of a declaration of regularity by the Pacific Commodities Exchange, and the actual commencement of operation by said Exchange.

The application indicates that no other public utility warehouseman now provides facilities for the bulk storage of crude coconut oil, but that two other companies also intend to store coconut oil to be traded on the Pacific Commodities Exchange.

Applicant requests that an ex parte order be issued. Notice of the filing of the application appeared on the Commission's Daily Calendar. There are no protests.

After consideration the Commission finds that public convenience and necessity require the granting of the application. A public hearing is not necessary.

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, 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. A certificate of public convenience and necessity is granted to PVO International Inc., a corporation, as a public utility warehouseman, as defined in Section 239(b) of the Public Utilities Code, for the storage of crude coconut oil in bulk 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.

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

Dated at San Francisco, California, this 19th day of SEPTEMBER, 1972.

William L. Sturges  
President  
William L. Sturges  
William L. Sturges  
William L. Sturges  
William L. Sturges  
Commissioners

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

PVO International 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(b) of the Public Utilities Code for the storage of crude coconut oil in bulk.

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
Richmond	7,500

(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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