

ORIGINAL

Decision No. 80883

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
 RICHMOND EXPORT SERVICES, INC., a)
 corporation to transfer to and of)
 VANPAC CARRIERS, INC., a corporation,)
 to acquire a public utility warehouse)
 certificate and operation at Richmond,)
 California.)

Application No. 53646
 (Filed October 17, 1972)

O P I N I O N

Richmond Export Services, Inc. (Export Services) and Vanpac Carriers, Inc. (Vanpac) are both California corporations doing business at 2114 Macdonald Avenue, Richmond, California. Ralph W. Johnson and William F. Bottoms each own fifty percent of the stock in both corporations.

Export Services and Vanpac hold various licenses and permits authorizing them to perform various transportation, warehousing, and transportation related activities.

To simplify internal organization of the various transportation entities, Johnson and Bottoms wish to transfer all operating rights from Export Services to Vanpac. Applications are pending or have been approved by federal regulatory agencies for transfer of those rights which come under their jurisdiction.

Export Services holds a prescriptive operative right to operate as a public utility warehouseman in Richmond, California by authority granted by an order dated August 23, 1960 in Case No. 6875.

By this application authority is sought to transfer said operative right from Export Services to Vanpac.

A copy of the application was served upon the California Warehousemen's Association. No protest has been received.

After consideration the Commission finds that the proposed transfer would not be adverse to the public interest and concludes that it should be authorized. A public hearing is not necessary. The order which follows will provide for, in the event the transfer is consummated, the revocation of the prescriptive operative right presently held by Export Services and the issuance of a certificate in appendix form to Vanpac.

Vanpac 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. 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 June 30, 1973, Richmond Export Services, Inc. may transfer, and Vanpac Carriers, Inc. may acquire, the operative rights and property referred to in the application.
2. Within thirty days after the consummation of the transfer herein authorized, transferee 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. Transferee 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, transferee 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 transferor 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 Vanpac Carriers, 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 prescriptive operative right granted by an order dated August 23, 1960 in Case No. 6875, which operative 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, transferee shall file a written acceptance of the certificate herein granted. Transferee 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 19th day of DECEMBER, 1972.

Vernon L. Spurgeon
President
William Spurgeon

John W. ...
...
Commissioners

Commissioner J. P. VUKASIN, JR.

Present but not participating.

Vanpac Carriers, 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 operation of storage or warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
Richmond	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.

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