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ORIGINAL

Decision No. 81121

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
JOHN M. SAUER and JAMES L. CAMERON,
co-partners, doing business as
MAR-DON COMPANY, for a certificate
of public convenience and necessity
authorizing it to engage in
operations as a public utility
warehouseman pursuant to Section
1051, et seq., of the Public
Utilities Code of the State of
California.

Application No. 53702
(Filed November 20, 1972;
amended February 2, 1973)

O P I N I O N

John M. Sauer and James L. Cameron, co-partners doing business as Mar-Don Company, request a certificate of public convenience and necessity to engage in the business of a warehouseman as defined in Section 239(b) of the Public Utilities Code.

The application states that applicants presently operate a private warehouse in Kern County at Seventh Standard Road and California Highway 99 on the Saco Siding of the Southern Pacific Railroad. Applicants operate 8,700 square feet of warehouse space at that location. If the application is granted applicants propose to participate in the tariff of California Warehouse Tariff Bureau, applicable to the Kern County area of the San Joaquin Valley.

The application further states that applicants have had several requests from persons other than the two who presently store in their warehouse and in order to accommodate these others, applicants have been advised that they should first seek a certificate to operate as a public utility warehouseman.

The partners operating the present private warehouse and seeking this authority have had experience both in operating a private warehouse and in operating bulk storage and bulk loading facilities including 29 years with one company maintaining such facilities.

Applicants' balance sheet dated September 30, 1972 shows total assets of \$9,315.25 and total liabilities of \$1,789.68. Their revenue and expense statement for the 9 months ended September 30, 1972 discloses a net profit of \$3,334.55.

A copy of the application was served upon the California Warehousemen's Association. No protests to the application have been received.

Findings

1. Applicants possess the experience and financial resources to institute and maintain the proposed service.
2. Public convenience and necessity require that the proposed service be authorized.
3. A public hearing is not necessary.

The Commission concludes that the application should be granted as set forth in the ensuing order.

Applicants are 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 John M. Sauer and James L. Cameron, 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.

2. Applicants shall comply with the regulations of the California Department of Public Health concerning hazardous or toxic commodities and shall include in their 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.

3. In providing service pursuant to the certificate herein granted, applicants 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, applicants shall file a written acceptance of the certificate herein granted. Applicants are placed on notice that, if they accept the certificate of public convenience and necessity herein granted, they will be required, among other things, to file annual reports of their operations.

- (b) Within one hundred twenty days after the effective date hereof, applicants 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 13th day of MARCH, 1973.

Vernon L. Sturgeon
President
William J. Lyons
J. H. Miller
Edward J. ...
Commissioners

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

John M. Sauer and James L. Cameron, doing business as Mar-Don Company, by the certificate of public convenience and necessity granted in the decision noted in the margin, are 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>
Seventh Standard Road and California Highway 99 on the Saco Siding of Southern Pacific Railroad in Kern County	8700

(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. 81121, Application No. 53702.