

ORIGINAL

Decision No. 81347

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of Bassco Drayage, Inc., a)
corporation, for a certificate)
of public convenience and)
necessity authorizing operations)
as a public warehouseman at)
San Leandro, California.)

Application No. 53650
(Filed October 17, 1972)

William J. Henderson, for applicant.
Peter N. Kufachich and Milton J. DeBarr,
for the Commission staff.

O P I N I O N

Bassco Drayage, Inc., a California corporation, requests 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.

Public hearing was held before Examiner O'Leary at San Francisco on February 26, 1972 at which time the matter was submitted.

Exhibit 1 is a letter from applicant requesting that Paragraph V of the application be amended as follows:

"Applicant proposes to operate a modern single story concrete warehouse of tilt-up construction, fully sprinklered, with office facilities presently leased by Applicant. The warehouse will be located at 440 Hester Street, San Leandro. Applicant proposes to warehouse only materials related to construction, mining, and logging; equipment, materials and supplies and commodities which by reason of size, weight or bulk, require special equipment or handling and materials, parts or supplies that are appurtenant to or a necessary part of such commodities."

Applicant conducts operations as a highway common carrier of the commodities for which it here seeks authority as a public warehouseman.

The general manager of applicant testified that applicant has been in business as a private warehouse leasing floorspace since 1968. Applicant presently stores merchandise for four accounts. The general manager also testified that applicant presently is utilizing about one-half of its space and would be willing to provide its warehouse services to additional accounts. Upon grant of the requested certificate, applicant will provide public utility warehouse service to all accounts, both current and new.

Exhibit 2 contains copies of applicant's balance sheet as of November 15, 1972 and its statement of income and expenses for 11 1/2 months ending November 15, 1972. The balance sheet shows total assets of \$79,697.68, liabilities of \$51,705.61 and stockholders equity of \$27,992.07. The statement of income and expenses shows a net income of \$6,223.67 after provisions for income taxes.

No one appeared at the hearing in opposition to the application.

Findings

1. Applicant possesses the experience and financial resources to institute and maintain the proposed service.
2. A grant of this application will not have any significant effect on the environment and therefore does not require an environmental Impact Report nor payment of any fee in connection therewith.
3. Public convenience and necessity require that the proposed service be authorized.

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

Applicant is 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 cancelled 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 Bassco Drayage, Inc., 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. Applicant 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, 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 8th day of MAY, 1973.

Leon L. Sturgeon
President
William Symons
[Signature]
[Signature]
Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Bassco Drayage, 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 restricted to the following commodities: construction, mining and logging machinery, equipment, materials and supplies; and commodities which by reason of size, weight or bulk require special equipment or handling, and materials, parts or supplies that are appurtenant to or a necessary part of such commodities as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
San Leandro	40,000

(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. 81347, Application No. 53650