

Decision No. 81495**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:)
 LOYALTY WAREHOUSE CORPORATION, a)
 corporation, for a certificate of)
 Public Convenience and Necessity to)
 Operate as a Warehouseman.)

Application No. 53903
 (Filed March 19, 1973)

O P I N I O N

By this application, Loyalty Warehouse Corporation requests a certificate of public convenience and necessity authorizing it to expand its presently authorized warehouse floor space to 150,000 square feet, exclusive of the 50,000 square feet of expansion permissible under Section 1051 of the Public Utilities Code.

There are no protests.

Applicant is presently operating as a public utility warehouseman in Los Angeles.

Applicant's business in Los Angeles has increased over the years and applicant is currently taking advantage of the provisions in Section 1051 of the Public Utilities Code, which allow applicant to expand its warehouse floor space by 50,000 square feet. Additional storers have requested the service of applicant, and their needs, combined with the increasing needs of applicant's present customers, require the expanded services of applicant as herein proposed.

After consideration the Commission finds as follows:

1. Public convenience and necessity require that applicant's proposal be authorized.
2. The Commission finds with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

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, 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. A certificate of public convenience and necessity is granted to Loyalty Warehouse Corporation, 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.
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 inform the Commission of such fact.

3. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the certificate of public convenience and necessity granted by Decision No. 75423, which certificate is revoked effective concurrently with the effective date of the notice required by paragraph 2(b) hereof.

4. Applicant shall comply with the regulations of the California Department of Public Health concerning hazardous or toxic commodities and shall include in its 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.

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

Dated at San Francisco, California, this 19th
day of JUNE, 1973.

William L. Sturgeon
President
William J. Synovis, Jr.
[Signature]
[Signature]
Commissioners

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

Loyalty Warehouse 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>
Commerce	150,000

(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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