

ORIGINAL

Decision No. 81552

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of A. L. Chipman, dba)
Chipman Van & Storage Company for
authority to transfer his
prescriptive warehouse operating
right to Chipman Van & Storage,
Inc., a California Corporation
incorporated January 1, 1972.

Application No. 53943
(Filed April 9, 1973)

O P I N I O N

By this application A. L. Chipman, dba Chipman Van & Storage Company, seeks to transfer his prescriptive operating rights as a warehouseman at Napa and Vallejo to Chipman Van & Storage, Inc.

The warehouse location and facilities will remain the same. The current effective warehouse tariffs will be continued. However, the storage of general commodities at Napa will be continued only until operations are suspended pursuant to our decision in Application No. 53961, decided this date.

A balance sheet of the transferee shows total assets of \$261,058.68.

There are no protests.

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 completed, the revocation of the operative rights presently held by A. L. Chipman and the issuance of a certificate in appendix form to Chipman Van & Storage, Inc. We find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

Chipman Van & Storage, Inc. 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 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 September 1, 1973, A. L. Chipman may transfer, and Chipman Van & Storage, Inc. may acquire, the operative rights and property referred to in the application.
2. Within thirty days after the completion 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-Series. Failure to comply with and observe the provisions of General Order No. 61-Series 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 Chipman Van & Storage, 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 rights determined in Case No 6978, which operative rights are 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 completed, 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 3rd
day of JULY, 1973.

Vernon L. Sturgeon
President
William J. Harrison
J. P. Mahan Jr.
W. H. [illegible]
[illegible]
Commissioners

Chipman Van & Storage, Inc., 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>
Napa	3,000
Vallejo	5,000

(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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Decision No. _____, Application No. 53943.