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ORIGINAL

Decision No. 82239

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
MITCHELL SILLIMAN COMPANY, a)
corporation, for a certificate of)
public convenience and necessity)
authorizing extension of operations)
as a warehouseman at Salinas and)
operations at Gonzales, California.)

Application No. 54009
(Filed May 3, 1973)

O P I N I O N

Mitchell Silliman Company, a corporation, presently engaged as a public utility warehouseman in the storage and handling of agricultural and general commodities at Chualar, Salinas and vicinity (including Graves Station), and Camphora, requests authority to provide service in 36,000 square feet of floor space at Gonzales and to extend its operations at Salinas and vicinity (including Graves Station) by providing service in an additional 79,055 square feet of floor space.

Applicant is presently operating pursuant to a prescriptive right set forth in Commission order dated August 9, 1960 in Case No. 6754. Operations at the Salinas and Graves Station location are limited to 47,233 square feet of space, but at the present time applicant is conducting operations in 126,288 square feet of space. Said operations are conducted in single-story warehouse sprinkler-equipped facilities. Applicant alleges that its operations at these facilities have gradually expanded, and, through inadvertence, have exceeded the authorized space as well as the additional 50,000 square feet of space authorized under Section 1051 of the Public Utilities Code.

Applicant is presently providing a warehouse service for agricultural commodities in 36,000 square feet of floor space in a single-story warehouse in Gonzales without authority to operate in this separate community of Gonzales. Applicant asserts that this occurred through inadvertence.

It is alleged that applicant's facilities at Salinas and Gonzales serve numerous storers of general and agricultural commodities; that its officers and employees have had many years in the storage and handling of general commodities as well as agricultural commodities; and that its facilities are operated by experienced personnel.

Copies of this application were served upon Salinas Warehouse Company and upon the California Warehousemen's Association. No protest has been received.

After consideration the Commission finds that public convenience and necessity require the granting of the application. A public hearing is not necessary.

We find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment.

Mitchell Silliman Company 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 Mitchell Silliman Company, a corporation, authorizing it 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 set forth in Appendix A, attached hereto and made a part hereof.

2. In providing service pursuant to the authority granted by this order, applicant shall comply with the following service regulations. Failure so to do may result in a cancellation of the authority.

- (a) Within thirty days after the effective date of this order, applicant shall file a written acceptance of the certificate granted. Applicant is placed on notice that if it accepts the certificate it will be required, among other things, to file annual reports of its operations.
- (b) Within one hundred twenty days after the effective date of this order, applicant shall establish the authorized service 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 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-Series.

3. 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.

4. The certificate of public convenience and necessity granted in paragraph 1 of this order shall supersede the prescriptive authority set forth in Commission order dated August 9, 1960 in Case No. 6754, which is revoked effective concurrently with the effective date of the tariff filings required by paragraph 2(b).

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

Dated at San Francisco, California, this 7th day of DECEMBER, 1973.

Vernon L. Stenger
President
William Synnott
[Signature]
[Signature]
[Signature]
Commissioners

Mitchell Silliman Company, 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>
Chualar	18,000
Gonzales	36,000
Salinas and vicinity (including Graves Station)	126,288
Soledad and vicinity (including Camphora)	35,700

(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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