

Decision No. 83215

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the
PACIFIC STORAGE COMPANY, a corporation,
for a certificate of public convenience
and necessity to operate a public ware-
house in the County of Stanislaus in the
vicinity of the City of Modesto, State
of California.

Application No. 54916
(Filed May 30, 1974)

O P I N I O N

Pacific Storage Company, a corporation, requests a certificate of public convenience and necessity authorizing operations as a public utility warehouseman in 40,000 square feet of floor space near Modesto.

Applicant is presently conducting operations as a public utility warehouseman in Stockton and as a private warehouseman in the vicinity of Modesto.

The proposed rates would be comparable to those which applicant presently charges in its Stockton operations. As of March 31, 1974, applicant indicated a networth in the amount of \$635,978. Copies of the application were served upon public warehouses presently operating in the Modesto area and upon the California Warehouse Tariff Bureau. No protest has been received.

It is alleged that applicant has received a number of requests from various companies asking it to constitute a public warehouse service near Modesto; that by reason of its past operations it has gained the expertise and experience necessary to operate a service responsive to the needs of the public; and that because of its past experience its operating employees have developed certain innovations which have proven efficient and economical.

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.

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.

Applicant's present operation at Stockton is covered by a prescriptive operative right set forth in Appendix A of order dated August 1, 1960 in Case No. 6696. So that all of its operative rights will be set forth in one appendix, the prescriptive operative right will be restated in Appendix A attached hereto. Appendix A of order dated August 1, 1960 in Case No. 6696 will be canceled.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Pacific Storage 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 and maintain accounting records in conformance with applicable Uniform System of Accounts prescribed by this Commission.
- (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. Appendix A of order dated August 1, 1960 in Case No. 6696 is canceled on the effective date of the tariff filings required by paragraph 2(b) hereof.

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

Dated at San Francisco, California, this 30th day of JULY, 1974.

Vernon L. Shuman
President
William Symons Jr.
[Signature]
[Signature]
Commissioners

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

Pacific Storage 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>
Modesto and vicinity	40,000

Pacific Storage Company also possesses a prescriptive operative right as a public utility warehouseman for the operation of storage or warehouse floor space as follows:

<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
Stockton	24,000

(The floor space shown above is exclusive of the 50,000 square feet of expansion permissible at each location under Section 1051 of the Public Utilities Code.)

(END OF APPENDIX A)

Issued by California Public Utilities Commission.

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