

Decision No. 83253**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of FERDINAND ERDMAN for)
 authorization to transfer a Certi-)
 ficate of Public Convenience and)
 Necessity to operate as a public)
 utility warehouseman to ERDMAN)
 WAREHOUSE, INC., a California)
 corporation; of ERDMAN WAREHOUSE,)
 INC., a California corporation, for)
 an order authorizing issuance of)
 stock; and of JAMES R. ERDMAN for)
 authorization to control ERDMAN)
 WAREHOUSE, INC.)

Application No. 54945
 (Filed June 6, 1974)

O P I N I O N

Ferdinand Erdman requests authority to transfer a certificate of public convenience and necessity to operate as a public utility warehouseman to Erdman Warehouse, Inc. Erdman Warehouse, Inc. requests authorization to issue shares of stock for cash, the proceeds to be used for working capital in operating the said warehouse facilities.

If said transfer is granted Ferdinand Erdman proposes to sell his existing warehouse facilities to E.M.G., Inc. E.M.G., Inc. in turn proposes to lease said facilities to Erdman Warehouse, Inc. to be operated under said transferred certificate.

Ownership of the stock in E.M.G., Inc. is to be held by the same persons and in the same ratios of interest as the stock in Erdman Warehouse, Inc.

The request to issue stock is 4,500 shares for \$45,000.

There were no protests.

After consideration the Commission finds that:

1. The proposed transfer would not be adverse to the public interest.
2. The proposed stock issue is for a proper purpose.
3. The money, property, or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or income.
4. A public hearing is not necessary.
5. We further find with reasonable certainty that the project involved in this proceeding will not have a significant effect on the environment. ✓

Based on the foregoing findings the Commission concludes that the application should be granted to the extent and under the conditions as set forth in the ensuing order.

The order which follows will provide for, in the event the transfer is consummated, the revocation of the certificate presently held by Ferdinand Erdman and the issuance of a certificate in appendix form to Erdman Warehouse, Inc.

Erdman Warehouse, 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, such 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. On or before February 3, 1975, Ferdinand Erdman may transfer to Erdman Warehouse, Inc. the referred to certificate of public convenience and necessity to operate as a public utility warehouseman.

2. Erdman Warehouse, Inc., on or after the effective date hereof and on or before February 3, 1975, for the purpose set forth in this proceeding, may issue 4,500 shares of its stock for \$45,000.

3. Erdman Warehouse, Inc. shall file with the Commission the report required by General Order No. 24-Series, which order, insofar as applicable, is hereby made a part of this order.

4. On or before the end of the third month after the transfer, 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 transferee for the period commencing with the first day of the current year to and including the effective date of the transfer.

5. Within thirty days after the transfer Erdman Warehouse, Inc. shall notify the Commission, in writing, of that fact and within said period shall file with the Commission the instrument of transfer which may be executed to effect said transfer.

6. Transferee shall amend or reissue the tariffs on file with the Commission, naming rates and rules governing the warehouse operations transferred to show that it has adopted or established, as its own, the rates and rules. The tariff filings shall be made effective not earlier than five days after the effective date of this order on not less than five days' notice to the Commission and the public, and the effective date of the tariff

filings shall be concurrent with the transfer. 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 the provisions of General Order No. 61-Series may result in a cancellation of the operating authority granted by this decision.

7. In the event the transfer authorized in paragraph 1 is completed, effective concurrently with the effective date of the tariff filings required by paragraph 6, a certificate of public convenience and necessity is granted to Erdman Warehouse, Inc., 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.

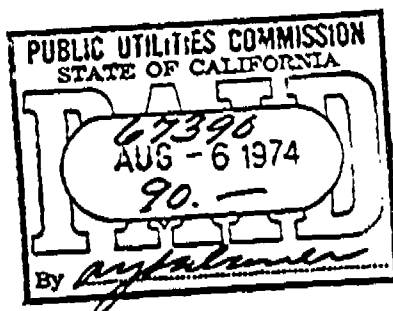
8. The certificate of public convenience and necessity granted by Decision No. 61765 in Application No. 42979 is revoked effective concurrently with the effective date of the tariff filings required by paragraph 6.

9. Purchaser shall maintain its accounting records in conformance with any applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission, and each year shall file with the Commission an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

10. James R. Erdman may control Erdman Warehouse, Inc.

11. The authority herein granted to issue stock will become effective when Erdman Warehouse, Inc. has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$90. In other respects the effective date of this order shall be twenty days after the date hereof.

Dated at San Francisco, California, this 6th
day of AUGUST, 1974.



Vernon L. Steiner
President
William J. Symons Jr.
John H. Rain
John H. Rain
Commissioners

Commissioner D. W. Holmes, being necessarily absent, did not participate in the disposition of this proceeding.

Erdman Warehouse, 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>Commodity</u>	<u>Location</u>	<u>Number of Square Feet of Floor Space</u>
Rice	Boyer Landing (Located on the right bank of the Sacramento River between Grimes and Knights Landing in Colusa County.)	30,000

(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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