

ORIGINAL

Decision No. 86532

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
 of: (a) ORANGE FREIGHT CONSOLI- )  
 DATORS, a California corporation, )  
 to purchase, and KIN-WOOD WARE- )  
 HOUSE SERVICES OF CALIFORNIA, )  
 INC., a corporation, to sell a )  
 portion of its certificated )  
 public utility warehouseman )  
 authority; (b) To operate as a )  
 public warehouseman in Orange, )  
 California; and (c) To cease )  
 operations at Los Angeles, )  
 California. )

Application No. 56738  
 (Filed September 7, 1976)

And Related Matter )

Application No. 56570

OPINION AND ORDER

Kin-Wood Warehouse Services of California, Inc., a corporation, possesses a certificate of public convenience and necessity as a public utility warehouseman for the operation of storage or warehouse floor space at Los Angeles and Santa Fe Springs. By this application, it seeks authority to sell and transfer, and Orange Freight Consolidators, a California corporation, to purchase and acquire that portion of the operative right covering operations in Los Angeles. Applicant purchaser also requests authority to transfer said warehouse operations from Los Angeles to Orange.

Orange Freight Consolidators is engaged in operations as a freight consolidator for a group of shippers pursuant to the exemption contained in Section 220 of the Public Utilities Code and as a private warehouseman. According to the application, applicant purchaser has the financial resources, experience and personnel to conduct the warehouse services involved. The cash consideration is \$3,000.

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Copy of the application was mailed to Los Angeles Warehousemen's Conference, California Trucking Association, at Burlingame on or about August 27, 1976. The application was listed on the Commission's Daily Calendar of September 10, 1976. No objection to the granting of the application has been received.

In the circumstances, the Commission finds that:

1. The proposed transfer would not be adverse to the public interest.
2. Public convenience and necessity no longer require applicant seller's operations as a public utility warehouseman in Los Angeles.
3. Public convenience and necessity require the services of applicant purchaser as a public utility warehouseman in 150,000 square feet of floor space in Orange.
4. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

The Commission concludes that the application should be granted. A public hearing is not necessary. The order which follows will provide for, in the event the transfer is completed, the amendment of the operative right held by Kin-Wood Warehouse Services of California, Inc. to exclude therefrom operations in Los Angeles and the issuance of a certificate in appendix form to Orange Freight Consolidators. The Commission further concludes that the effective date of this order should be the date hereof as applicant purchaser desires to establish the service as soon as possible.

The authorization granted shall not be construed as a finding of the value of the right authorized to be transferred.

Orange Freight Consolidators 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.

IT IS ORDERED that:

1. On or before January 1, 1977, Kin-Wood Warehouse Services of California, Inc. may transfer that portion of the operative right referred to in the application to Orange Freight Consolidators.
2. Within thirty days after the transfer, purchaser shall file with the Commission written acceptance of the certificate and a true copy of the bill of sale or other instrument of transfer.
3. Purchaser 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, such 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 to 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 61-Series. Failure to comply with the provisions of General Order 61-Series may result in a cancellation of the operating authority granted by this decision.
4. In the event the transfer authorized in paragraph 1 is completed, effective concurrently with the effective date of the tariff filings required by paragraph 3, a certificate of public convenience and necessity is granted to Orange Freight Consolidators

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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.

5. Effective concurrently with the effective date of tariff filings required by paragraph 3, Appendix A of Decision 86131 is amended by incorporating First Revised Page 1, attached hereto, in revision of Original Page 1.

6. 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.


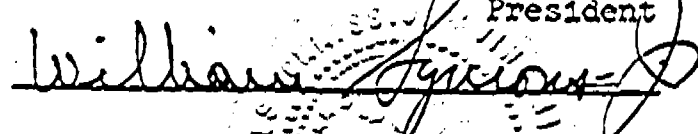

7. Applicant seller shall, at the direction of the owner of any property in storage at the present location, transport such property to the new facility of applicant purchaser or any available public utility warehouse in the vicinity of present location at the expense of applicant seller and at no expense or risk to the owner of the property transported.

The Executive Director is directed to cause service of certified copies of the order to be made upon Kin-Wood Warehouse Services of California, Inc., and Orange Freight Consolidators or to mail certified copies thereof to them at their last known addresses as shown in the Commission's records and to mail a copy of this order to Western Motor Tariff Bureau, Inc., Agent.

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The effective date of this order is the date hereof.

Dated at San Francisco, California, this 19th day of  
October, 1976.

  
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President  
  
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Robert Bateman  
\_\_\_\_\_  
Commissioners

Commissioner Vernon L. Sturgeon, being  
necessarily absent, did not participate  
in the disposition of this proceeding.

Orange Freight Consolidators, 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<br/>Feet of Floor Space</u> |
|-----------------|---|
| Orange          | 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.

Decision 86532, Application 56738.

Kin-Wood Warehouse Services of California, Inc., by the certificate of public convenience and necessity granted in Decision 86131, as amended by 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<br/>Feet of Floor Space</u> |
|------------------|---|
| Santa Fe Springs | 175,500   |

(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.

Decision 86532, Application 56570.