

ORIGINAL

Decision No. 87696 AUG 09 1977

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of M AND M TRANSFER COMPANY, a)
California Corporation, to trans-)
fer to, and of SERVICECRAFT CORPO-)
RATION, a California Corporation,)
to acquire a public utility ware-)
house authority.)

Application No. 57144
(Filed March 11, 1977)

OPINION AND ORDER

M and M Transfer Company, a California corporation possesses a certificate of public convenience and necessity as a public utility warehouseman for the operation of storage or warehouse floor space at Torrance. By this application, it seeks authority to transfer, and Servicecraft Corporation, a California corporation, to acquire the aforementioned operative right. Servicecraft Corporation also requested authority to operate said public utility warehouse on an interim basis at Cerritos and thereafter on a permanent basis at Buena Park.

Applicant seller avers that, during the past two years, the number of its storers has decreased to the point where it no longer has any customers. It alleges that it has not found it economically feasible to continue to offer its services at such location.

According to the application, applicant purchaser has the financial resources, experience and personnel to conduct the warehouse services involved. The cash consideration is \$2500 for the purchase of the operative right.

Copy of the application was mailed to Los Angeles Warehousemen's Conference. The application was listed on the Commission's Daily Calendar of March 15, 1977. No objection to the granting of the application has been received.

After consideration, the Commission finds that:

1. Public convenience and necessity no longer require regular warehouse facilities at the location of the warehouse of M and M Transfer Company at Torrance.

2. Public convenience and necessity require warehouse facilities at Cerritos on an interim basis and thereafter on a permanent basis at Buena Park.

3. The proposed transfer would not be adverse to the public interest.

4. It can be seen with certainty that there is no possibility that the activities in question may have a significant effect on the environment.

5. A public hearing is not necessary.

6. The order which follows will provide for, in event the transfer is completed, revocation of the certificate held by M and M Transfer Company and the issuance of a certificate in appendix form to Servicecraft Corporation.

The Commission concludes that the application should be granted and the effective date of this order should be the date hereof as there is an immediate need to consummate the transfer.

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

Servicecraft Corporation 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.

IT IS ORDERED that:

1. On or before December 1, 1977, M and M Transfer Company may sell and transfer and Servicecraft Corporation may purchase and acquire, the operative right referred to in the application.

2. Within thirty days after the transfer the 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. On or before December 1, 1977, purchaser shall establish the authorized service and file tariffs, in triplicate, in the Commission's office.

4. Tariff filings naming rates and rules governing purchaser's warehouse operations at Cerritos shall be made by said purchaser on not less than five days' notice to the Commission and the public and the effective date of such tariff filings shall be concurrent with the transfer.

5. Tariff filings naming rates and rules governing purchaser's warehouse operations at Buena Park shall be made by purchaser on not less than five days' notice to the Commission and the public and the effective date of such tariff filings shall be concurrent with the establishment of the service at said location.

6. Tariff filings made by purchaser 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.

7. Purchaser 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.

8. Seller shall cancel its tariffs on file with the Commission naming rates and rules governing its warehouse operations at Torrance on not less than five days' notice to the Commission and the public. The effective date of the tariff filings shall be concurrent with the transfer.

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

10. In the event the transfer authorized in paragraph 1 is completed, effective concurrently with the effective date of the tariff filings required by paragraphs 4 and 8, a certificate of public convenience and necessity is granted to Servicecraft 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.

11. The certificate of public convenience and necessity granted to M and M Transfer Company by Decision 61961 dated May 9, 1961, is revoked effective concurrently with the effective date of the tariff filings required by paragraphs 4 and 8.

12. Purchaser shall maintain its accounting records on a calendar year basis in conformance with the applicable Uniform System of Accounts or Chart of Accounts as prescribed or adopted by this Commission and shall file with the Commission, on or before March 31 of each year, an annual report of its operations in such form, content, and number of copies as the Commission, from time to time, shall prescribe.

13. When service is established at Buena Park, seller shall, at the direction of the owner of any property in storage at Cerritos, transport such property to its new facility at Buena Park or any available public utility warehouse in the vicinity of Cerritos at its expense 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 M and M Transfer Company and Servicecraft Corporation, 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.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 9th day of AUGUST, 1977.

Robert Bateman

President

William J. ...
Clair L. DeLoach

Commissioners

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

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

Servicecraft Corporation, 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>
Cerritos, subject to Note 1	40,000
Buena Park, subject to Note 2	117,600

Note 1: - Authority to operate at Cerritos shall be temporary pending the establishment of service at Buena Park and shall expire concurrently with the effective date of the required tariff filings establishing service at Buena Park.

Note 2: - Authority to operate at Buena Park shall commence concurrently with the effective date of the required tariff filings establishing service at said location.

(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 No. 87636, Application No. 57144.