

Decision No. 89157 JUL 25 1978

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )	
of SANTA MARIA VALLEY WAREHOUSE )	
COMPANY, a California Corpora- )	
tion, to transfer to, and of )	Application No. 58097
SANTA MARIA VALLEY WAREHOUSE )	(Filed May 25, 1978)
COMPANY OF CALIFORNIA, INC., a )	
California Corporation, to )	
acquire a Public Utility Ware- )	
house Authority. )	

OPINION AND ORDER

Santa Maria Valley Warehouse Company, a California Corporation, requests authority to sell and transfer, and Santa Maria Valley Warehouse Company of California, Inc., a California Corporation, requests authority to purchase and acquire, a prescriptive right authorizing operations as a public utility warehouseman of 36,600 square feet of storage space at Santa Maria, California.

According to the application, applicant has the financial resources, experience and personnel to conduct the warehouse services involved. The cash consideration is \$100,000 for the purchase of fixtures, equipment, machinery, business name and goodwill of said business, in addition to the sum of the value of the inventory of said business. A value has not been placed on the operative right, but has been determined by the parties not to be in excess of \$1,000.

A copy of the application was mailed to the California Warehouseman's Association on June 30, 1978. The application was listed on the Commission's Daily Calendar of May 26, 1978. 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 require the services of applicant purchaser as a public utility warehouseman of 36,600 square feet of floor space at Santa Maria, California.

3. It can be seen with certainty that the activity in question will not 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 consummated, the revocation of the prescriptive right presently held by Santa Maria Valley Warehouse Company, and the issuance of a certificate of public convenience and necessity in appendix form to Santa Maria Valley Warehouse Company of California, Inc. The Commission further concludes that the effective date of this order should be the date hereof as applicant purchaser desires to establish service as soon as possible.

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

Santa Maria Valley Warehouse Company of California, 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.

IT IS ORDERED that:

1. On or before September 1, 1978, Santa Maria Valley Warehouse Company may sell and transfer and Santa Maria Valley Warehouse Company of California, Inc. may purchase and acquire, the operative right and property referred to in the application.

2. Within thirty days after the transfer, purchaser shall file with the Commission written acceptance of the certificate of public convenience and necessity 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 operation 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 Santa Maria Valley Warehouse Company of California, 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.

5. The certificate of public convenience and necessity granted in paragraph 4 of this order shall supersede the prescriptive right herein considered which is revoked effective concurrently with the effective date of the tariff filings required by paragraph 3 hereof.

6. On or before the end of the third month after the consummation of the transfer as herein authorized, 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 fiscal year to and including the effective date of the transfer.

A. 58097 - FS

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 25<sup>th</sup> day  
of JULY, 1978.

Robert Bateman

President

William S. Jones, Jr.

Yermin L. Stinson

Robert W. Throck

Clara J. Delisle

Commissioners

Santa Maria Valley Warehouse  
Company of California, Inc.  
(a California Corporation)

Santa Maria Valley Warehouse Company of California, 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>Location</u>	<u>Number of Square Feet of Floor Space</u>
Santa Maria	36,600

(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 89157, Application 58097.