

Decision No. 23631

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
ORD ICE COMPANY, )  
a corporation, for an order authoriz- )  
ing the execution of the notes and )  
mortgages herein set forth. )

Application No. 17264

**ORIGINAL**

W. F. Williamson, Wallace and Vaughan,  
by Reginald Vaughan, for applicants.

BY THE COMMISSION:

O P I N I O N

Ord Ice Company asks permission to issue notes in the principal sum of \$57,086.23 and execute a deed of trust and a chattel mortgage to secure the payment of such notes.

The Ord Ice Company is engaged in the manufacture of ice at Santa Barbara. Incidental to such business the company is also engaged in the business of operating a public utility cold storage warehouse at Santa Barbara. The company has an authorized stock issue of \$275,000.00 divided into 2,750 shares of the par value of \$100.00 each; \$100,000.00 of which is common and \$175,000.00 is preferred stock. At present there is outstanding 766-2/3 shares of preferred and 992-1/3 shares of common stock. The company's indebtedness on December 31, 1930 consisted of \$57,086.23 of notes and \$7,497. of accounts payable. It is of record that the net value of applicant's assets is about \$100,000.00. Its revenues from 1930 business

are reported at \$37,897.55 segregated as follows:

Ice sales .....	\$22,720.08
Bottled water sales .....	2,058.50
Cold storage .....	5,529.13
From Mission Ice Company .....	6,072.63
Miscellaneous .....	<u>1,517.21</u>
Total.....	<u>\$37,897.55</u>

The company's revenues exceeded its expenses, including interest and depreciation, by the sum of \$658.45.

Through inadvertence the company has heretofore executed mortgages and issued notes without permission from the Railroad Commission. These notes are held by First National Trust and Savings Bank, a corporation, doing business in the City of Santa Barbara. The company, if authorized, will issue new notes in lieu of those heretofore issued without authority.

Applicant requests permission to issue one note for the principal sum of \$51,648.73 and one note for the principal sum of \$5,437.50. The notes will bear interest at seven percent per annum. The payment of the \$51,648.73 note will be secured by a deed of trust which will be a lien on the company's real property and the improvements thereon, including its investment in Mission Ice Company. The payment of the \$5,437.50 note will be secured by a chattel mortgage. The \$51,648.73 represents the balance due on an original indebtedness of \$76,548.73 which, except as to \$1,548.73, was incurred for the acquisition of property. The \$1,548.73 and the aforementioned \$5,437.50 represent accrued and unpaid interest.

We have examined applicant's proposed deed of trust (Exhibit "K") and its proposed chattel mortgage (Exhibit "I") and find the same to be in satisfactory form.

#### ORDER

Ord Ice company having asked permission to issue notes in the principal sum of \$57,086.23, a public hearing having been held be-

fore Examiner Fankhauser, and the Commission having considered the request of applicant and being of the opinion that the money, property or labor to be procured or paid for by the issue of said notes is reasonably required by applicant, therefore,

IT IS HEREBY ORDERED as follows:

1. Ord Ice Company is hereby authorized to issue at not less than its face value, a note in the principal amount of not exceeding \$51,648.73, to be payable on or before three years after the date of this order, with interest at not to exceed seven percent per annum; and to execute a deed of trust substantially in the same form as the deed of trust filed in this proceeding as Exhibit "K".
2. Ord Ice Company is hereby authorized to issue at not less than its face value, a note for the principal amount of not exceeding \$5,437.50, to be payable on or before three years after the date of this order, with interest at not to exceed seven percent per annum; and execute a chattel mortgage in substantially the same form as the chattel mortgage filed in this proceeding as Exhibit "I".
3. Ord Ice Company shall use the moneys realized through the issue of the notes herein authorized to pay or refund outstanding notes aggregating \$57,086.23.
4. Under the authority herein granted, Ord Ice Company may issue notes payable at any time prior to three years after the date of this order. If it issues any notes for a term of less than said three years, it may renew the

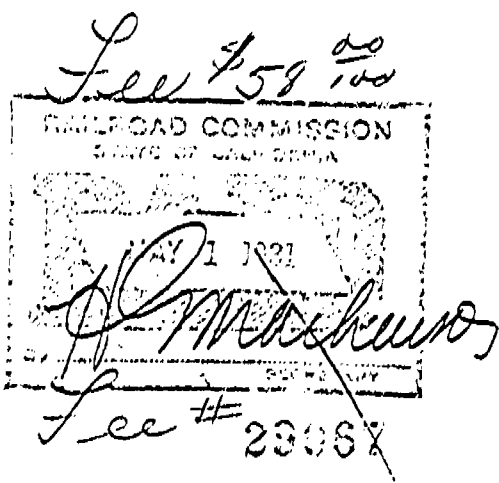
same from time to time, provided that no renewal note shall by its terms mature later than three years after the date of this order. The authority herein granted to renew notes carries with it the authority to re-execute a deed of trust or chattel mortgage, similar in form to those herein authorized.

5. The authority herein granted to execute a deed of trust and a chattel mortgage is for the purpose of this proceeding only, and is granted insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said deed of trust and said chattel mortgage as to such other legal requirements to which said deed of trust and said chattel mortgage may be subject.

6. Ord Ice Company shall file with the Commission a copy of each note issued under the authority herein granted, such copy to be filed within thirty days after the issue of said note.

7. The authority herein granted will become effective when applicant has paid the fee prescribed by Section fifty-seven of the Public Utilities Act, which fee is Fifty-eight (\$58.00) Dollars.

DATED at San Francisco, California, this 27<sup>th</sup> day of April, 1931.



Cl Severy  
Leon Whitwell  
W. J. ...  
W. B. Harris  
Fred G. Stewart  
Commissioners.