

Decision No. 25376

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
SACRAMENTO RIVER WAREHOUSE COMPANY)
for an order authorizing it to borrow)
money and execute a deed of trust on) Application No. 18492
its real property to secure the same.)

L. V. Peters, for applicant.

BY THE COMMISSION:

O P I N I O N

In this proceeding Sacramento River Warehouse Company asks permission to issue a note or notes of the aggregate sum of not exceeding \$103,000.00 and execute a deed of trust to secure the payment of such note or notes.

The Sacramento River Warehouse Company is engaged in operating public utility warehouses in Glenn, Sutter and Colusa Counties. During 1926 in conjunction with Sacramento Transportation Company it issued a note for \$117,000.00 and executed a deed of trust to secure the payment of such note. The money thus borrowed was used by applicant to acquire warehouse properties and warehouse equipment. Since the issue of the note, payments thereon have reduced the principal to \$53,000.00. The balance due on the note is at present represented by a demand note.

It is of record that during 1930 and 1931 applicant also issued notes in the amount of \$17,500.00 to provide itself with working capital. On these notes there is now due the sum of \$15,000.

Applicant asks permission to execute a deed of trust to secure the payment of a note or notes in the amount of \$103,000.00. The deed of trust will be executed by the Sacramento River Warehouse Company, by Sacramento Transportation Company and by its principal stockholders, W. P. Dwyer and Ethel Clare Dwyer. The lien of the deed of trust will attach to properties owned by the Sacramento River Warehouse Company and Sacramento Transportation Company. A copy of the instrument is on file in this proceeding and is found to be in satisfactory form.

At this time applicant proposes to issue a note or notes in the sum of \$68,000.00 for the purpose of paying the balance due on the notes heretofore mentioned. This note or notes will be signed by the Sacramento River Warehouse Company, the Sacramento Transportation Company and by W. P. Dwyer and Ethel Clare Dwyer who jointly and severally promise to pay the amount due on the notes. All of the money which will be realized through the issue of the note or notes will be for the benefit of the Sacramento River Warehouse Company.

Applicant has made arrangements with the Anglo-California National Bank of San Francisco, to whom the \$68,000.00 note or notes will be issued, to borrow an additional \$35,000.00 under the proposed deed of trust, if and when, it has need for this additional money to conduct its business. It appears that if this additional money will be borrowed it will be represented by short term notes. In view of the fact that the money will not be borrowed to pay outstanding notes, it occurs to us that the \$35,000.00 of notes may be issued under the

Commission's General Order No. 44 and that therefore it is not necessary in this proceeding to authorize applicant to issue the \$35,000.00 of notes. If the \$35,000.00 of notes are issued under terms different than those set forth in General Order No. 44, or can not be renewed except as authorized by the Commission, applicant should file a new application to issue the notes.

ORDER

Sacramento River Warehouse Company having asked permission to issue notes and execute a deed of trust, as indicated in the foregoing opinion, a public hearing having been held before Examiner Fankhauser, the Commission being of the opinion that the money, property or labor to be procured or paid for by the issue of the note or notes herein authorized is reasonably required for the purpose herein stated and that the expenditures for such purpose are not in whole or in part reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED as follows:-

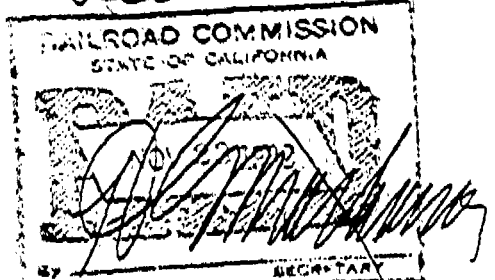
1. Sacramento River Warehouse Company may execute a deed of trust substantially in the same form as the deed of trust filed in this proceeding, provided that the authority herein granted to execute said deed of trust is for the purpose of this proceeding only, and is granted insofar as this Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said deed of trust as to such other legal requirements to which said deed of trust may be subject.

2. Sacramento River Warehouse Company may issue its note or notes in the principal amount of \$68,000.00 for the purpose of paying outstanding notes, referred to in the foregoing opinion, said note or notes to be payable on or before four years after date with interest not to exceed seven percent per annum, provided that if applicant issues a note or notes for a term of less than four years it may renew the same from time to time, provided that the maturity date of any note or notes issued under the authority granted does not exceed four years after the effective date of this order.
3. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Sixty-eight (\$68.00) Dollars.
4. Within thirty (30) days after the execution of the deed of trust herein authorized, Sacramento River Warehouse Company shall file with the Commission a certified copy of such deed of trust.
5. Sacramento River Warehouse Company shall keep such record of the issue of the note or notes herein authorized and of the disposition of the proceeds as will enable it to file on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.

6. This application insofar as it involves the issue of \$35,000.00 of notes is hereby dismissed without prejudice.

DATED at San Francisco, California, this 21st day of November, 1932.

D. S. ...
Leon ...
W. A. ...
W. B. ...
Fred G. ...
Commissioners.

Fee \$68⁰⁰/₁₀₀

Fee # 30005