

Decision No. 29569

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of Application of
Sacramento River Warehouse Company
for an order authorizing it to
borrow money and execute deeds of
trust on its real property to se-
cure the same.

Application No. 24154

BY THE COMMISSION:

OPINION AND ORDER

This is an application by Sacramento River Warehouse Company for an order of the Railroad Commission authorizing it to borrow a sum not in excess of \$100,000.

Sacramento River Warehouse Company is a corporation organized on or about October 6, 1916 under the laws of the State of California. It is engaged in business as a public utility warehouseman, chiefly for the storage of grain, rice and beans, at various points in the Sacramento Valley.

Applicant has been before the Commission on other occasions for permission to borrow money. It appears that it has need for substantial amounts of working capital and that it has been its practice to finance its needs largely with temporary borrowings from banks. In its operations, such borrowings are repaid from time to time when crops, which are stored in its warehouses, are removed and the accrued storage bills paid.

Heretofore, by Decision No. 29569, dated March 1, 1937, in Application No. 21019, the company was authorized to execute

a deed of trust and to issue notes in the principal amount of not exceeding \$100,000 for the purpose of paying outstanding indebtedness and of obtaining funds to conduct its public utility business. The authority granted at that time permitted the company to issue notes payable on or before four years after date of issue, or, as an alternative, to issue notes for terms of less than four years and to renew them from time to time, provided that the maturity date of any note so issued did not extend beyond four years after the effective date of the Commission's authorization, that is, March 1, 1941.

The company now reports \$59,900 of notes outstanding. Under the authorization heretofore granted, it cannot at this time issue additional notes, due to the fact that the maturity dates would be later than March 1, 1941, and accordingly, in effect, it has requested a renewal or extension of its authorization by the order asked in this proceeding.

The Commission has considered this matter and is of the opinion that the money, property or labor to be procured or paid for through the issue of the notes herein authorized is reasonably required for the purposes herein stated, and that the application should be granted, subject to the provisions of this order, therefore,

IT IS HEREBY ORDERED as follows:

1. Sacramento River Warehouse Company may issue its notes in the principal amount of not exceeding \$100,000 for the purpose of paying or renewing the notes now outstanding and of providing working capital in the conduct of its public utility warehouse business, said notes to be payable on or before four years after the effective date of this order with interest at a

rate of not exceeding 6% per annum, provided that if the company issues a note for a term of less than four years, it may renew the same from time to time, provided that the maturity date of any such note, or renewal thereof, does not extend beyond four years from the effective date of this order.

2. The payment of the notes to be issued under the authority granted by this order may be secured by the deed of trust, dated March 8, 1937, heretofore executed under the authority granted by Decision No. 29569, dated March 1, 1937, in Application No. 21019, and now outstanding. As an alternative, applicant, if required to do so, may execute a new deed of trust, in the same form as that dated March 8, 1937, to secure the payment of said notes.

3. The authority herein granted is for the purpose of this proceeding only and is granted only insofar as this Commission has jurisdiction under the Public Utilities Act and is not intended as an approval of said notes and deed of trust as to such other requirements to which they may be subject.

4. 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 Forty-one (\$41.00) Dollars.

5. Whenever any note is issued under the authority herein granted, applicant shall send to the Commission, within thirty days thereafter, a written statement showing all the terms of the note so issued, the purposes for which it was issued, and the total amount of notes then outstanding under the authority

herein granted. If applicant executes a new deed of trust to secure the payment of its notes it shall file a copy thereof within thirty (30) days after its execution.

Dated at San Francisco, California, this 6th day of May, 1941

[Signature]
Ray Rieley
[Signature]
Francis J. Havens

Commissioners

