

Decision No. 35462

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of California Ice and Cold Storage Company for permission to issue a mortgage on its property to the First National Trust and Savings Bank of San Diego, California in the principal sum of \$220,000.00

Application
No. 25029

BY THE COMMISSION:

ORIGINAL

O P I N I O N

The California Ice and Cold Storage Company, hereinafter sometimes referred to as applicant, is engaged, among other things, in the public utility cold storage warehouse business in the Cities of Long Beach and Bakersfield.

For 1941, it reports warehouse operating revenues of \$94,964.09 and nonutility operating revenues of \$1,868,107.89. Its corporate income, that is, the amount available for the payment of interest, dividends, and additions to surplus is, for 1941, reported at \$60,117.97.

Applicant asks permission to issue to The First National Trust and Savings Bank of San Diego its 5% note in the sum of \$220,000 and to secure the payment of such note by the execution of two mortgages of chattels and two deeds of trust. A copy of the proposed note and copies of the proposed mortgages of chattels and deeds of trust are on file in this

proceeding. The mortgages of chattels will be a lien on the company's personal property situate in the City of Long Beach and on the company's personal property situate in the City of Bakersfield. The deeds of trust will be a lien on real property situate in the City of Bakersfield and on real property situate in the City of Los Angeles and the City of Long Beach.

California Ice and Cold Storage Company has outstanding \$220,000 face amount of first mortgage 6% bonds due August 1, 1945. It proposes to redeem these bonds on July 1, 1942. It is for the purpose of paying the bonds that applicant asks permission to issue its \$220,000 installment note in the face amount of \$220,000. The note bears interest at the rate of 5% per annum, payable monthly. The principal of the note is payable in monthly installments of \$2,500, the first installment becoming due on August 15, 1942, and continuing monthly thereafter until November 15, 1949, on which date the then remaining unpaid principal balance shall be due and payable.

ORDER

The Commission having considered the request of California Ice and Cold Storage Company and it being of the opinion that this is not a matter on which a hearing is necessary; that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by California Ice and Cold Storage Company for the purpose of paying indebtedness; that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to

operating expenses or to income, and that this application should be granted subject to the provisions of this order, therefore

IT IS HEREBY ORDERED as follows:

1. California Ice and Cold Storage Company may, after the effective date hereof and on or before October 1, 1942, issue its note in the principal sum of \$220,000 for the purpose of paying, in whole or in part, its outstanding 6% first mortgage bonds, said note to be in substantially the same form as the note on file in this proceeding.

2. California Ice and Cold Storage Company may, for the purpose of securing the payment of said note, execute, after the effective date hereof and on or before October 1, 1942, deeds of trust and mortgages of chattels substantially in the same form as the deeds of trust and mortgages of chattels on file in this proceeding, provided, that the authority herein granted to execute said deeds of trust and mortgages of chattels is for the purpose of this proceeding only and is granted only insofar as this Commission has jurisdiction under the terms of the Public Utilities Act and is not intended as an approval of said deeds of trust and mortgages of chattels as to such other legal requirements to which said deeds of trust and mortgages of chattels may be subject.

3. The authority herein granted will become effective upon the payment by California Ice and Cold Storage Company of the fee prescribed by Section 57 of the Public Utilities Act, which fee is Two Hundred and Twenty (\$220.00) Dollars, and when said California Ice and Cold Storage Company has filed

with the Railroad Commission a certified copy of its Articles of Incorporation.

4. California Ice and Cold Storage Company shall file with the Railroad Commission within thirty (30) days after exercising the authority herein granted, a copy of the note, a copy of each deed of trust, and a copy of each mortgage of chattels executed under the authority herein granted, together with a statement showing the purpose for which it expended the proceeds realized through the issue of said note.

Dated at San Francisco, California, this 9th day of June, 1942.

Justin F. Craven
Ray H. Wiley
H. H. Baker

Richard R. Jackson
Commissioners.

8-220-00
RAILROAD COMMISSION
STATE OF CALIFORNIA
JUN 15 1942
2600
W. M. Mathews
SECRETARY