Decision No. 39331

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

IN THE MATTER OF THE APPLICATION
OF H. S. BRIETIGAM, an individual
(doing a grain warehouse business in
the County of Kings, State of
California, under the firm name and
style of (H. S. Brietigam Warehouses,)
for permission to execute a note and
mortgage on his public utility property.

ORIGINAL

Application No. 27722

OPINION AND ORDER

H. S. Brietigam, applicant herein, is an individual doing business under the firm name and style of H. S. Brietigam Warehouses and as such is engaged in the operation of warehouses in Lemoore, Kings County, and in Burrell, Fresno County.

The application shows that in July, 1943, H. S. Brietigam purchased from the United States Government at a cost of \$12,000 a warehouse (No.2) building situate in Lemoore. Subsequently, he constructed on the east side of the warehouse building facilities to handle grain in bulk. The additions consist of two large bulk rooms, of about 4,500 ton capacity, ten bulk tanks, holding between 250 and 300 tons each, sacking-off bins capable of handling 50 tons each, together with elevator machinery and equipment, railcar and truck unloading pits.

In order to finance in part the cost of acquiring and constructing the aforesaid properties, applicant made arrangements with Anglo California National Bank at Lemoore to borrow the sum of \$75,000 and, as of July 21, 1945, issued a note for

that amount and executed a deed of trust and a mortgage of chattels to secure its payment. He did not apply for nor receive an order of the Commission authorizing the issue of the note or the execution of the deed of trust and the mortgage of chattels.

It appears that applicant's failure to obtain the approval of the Commission was through inadvertence and with no intent to evade the provisions of the Public Utilities Act. When the matter of the necessity of obtaining the authorization of the Commission was brought to his attention, he forthwith filed the present application for permission to issue a note and execute a deed of trust and a mortgage of chattels.

The note bears interest at the rate of 5% per annum. The principal and interest is payable in quarterly installments of \$1,875.00 for a period of five years from date, at which time then unpaid principal and interest becomes due and payable.

A copy of the note, deed of trust and mortgage of chattels are on file in this application:

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that an order should be made authorizing the issue of a note and the execution of a deed of trust and a mortgage of chattels, and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purposes specified herein, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

- 1. H. S. Brietigam may execute a deed of trust and a mortgage of chattels in, or substantially in, the same form as the deed of trust and the mortgage of chattels filed in this proceeding, and may issue a note in the principal amount of not exceeding \$75,000, payable as heretofore stated, for the purpose of paying outstanding indebtedness and of financing the cost of the additions to his properties referred to herein.
- 2. H. S. Brietigam shall file with the Commission a report of the issue of the note and of the disposition of the proceeds as required by the Commission's General Order No. 24-A, which order, insofar as applicable, is made a part of this order.
- 3. The authority herein granted will become effective when H. S. Brietigam has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Seventy-five (\$75.00) Dollars.

Dated at Los Angeles, California, this 272 day of August, 1946.

RAILROAD CORMAILSION
DIATE OF CALIFORNIA

SEP 12 546

R-695

Commissioners