

Decision No. 40090

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)

of)

Application
No. 28264

PACIFIC MILL & ELEVATOR CO., INC.,)

for an Order authorizing execution)

of Promissory Note and Deed of Trust.)

O P I N I O N

Pacific Mill & Elevator Co., Inc., applicant herein, is a corporation engaged in the business of storing cereal grains in bulk and warehousing such grains in sacks or other types of containers, and in processing and mixing grains for customers, and cleaning, drying, rolling and doing all other things customary in the milling and handling of grains. It was organized on or about March 29, 1946, and filed with the Commission its rates, effective June 1, 1946, for storage and warehousing in the Town of Artois, Glenn County.

The application shows that the company has acquired certain real property near Artois and has constructed a grain elevator and mill composed of forty-five bins and a four-story steel grain and grinding building, together with machinery and equipment. As yet it has issued no stock, nor has it applied to this Commission for permission to do so, but has financed its capital requirements largely with advances, on open account, from Berlinger Construction Company, which company is wholly owned by Roy Berlinger, applicant's president. As of December 31, 1946, it reports its assets and liabilities as follows:

Assets

Cash in bank	\$ 984.88
Storage accounts receivable	10,218.87
Land and scale house	700.00
Bulk storage plants	90,337.94
Truck scale	300.00
Furniture and fixtures	75.00
Trucks	1,261.23
Insurance deposit	50.00
Prepaid insurance	292.17
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Total	<u>\$104,220.09</u>

Liabilities

Notes payable	\$ 9,500.00
Conditional sales contract	777.22
Roy Berlinger - personal loan	4,000.00
Berlinger Construction Co.	69,487.73
Accrued payroll	72.50
Withholding tax	159.40
Social security tax	162.05
Accrued insurance	93.93
Reserves	4,932.04
Capital and surplus	15,035.22
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Total	<u>\$104,220.09</u>

In order to discharge a portion of the debt due Berlinger Construction Company, applicant proposes to borrow from The Anglo California National Bank of San Francisco the sum of \$35,000, said sum to be represented by a note bearing interest at the rate of 5% per annum, and payable in annual installments of \$7,000, or more. The payment of the note is to be secured by a deed of trust on applicant's property.

A copy of the proposed deed of trust and the proposed note have been filed in this proceeding as Exhibit "B". The instruments appear to be in satisfactory form.

O R D E R

Pacific Mill & Elevator Co., Inc. having applied to the Public Utilities Commission for permission to execute a deed of trust and to issue a note for \$35,000, the Commission having considered the matter and being of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, and that the money, property or labor to be procured or paid for through the issue of said note is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income,

IT IS HEREBY ORDERED as follows:

1. Pacific Mill & Elevator Co., Inc., after the effective date hereof and on or before May 31, 1947, may execute a deed of trust and issue a note for \$35,000 for the purpose of paying in part advances from Berlinger Construction Company used in construction of applicant's plant, said deed of trust and note to be in, or substantially in, the same form as those filed in this proceeding as Exhibit "B".

2. Pacific Mill & Elevator Co., Inc. shall file with the Commission a report 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 applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Thirty-five (\$35.00) Dollars.

Dated at Los Angeles, California, this 25th day
of March 1947.

Harold P. Hale
Justus F. Quince
A. F. [unclear]
Herbert H. Potter

Commissioners

