

ORIGINAL

Decision No. 40108

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
E. POWERS, doing a general warehouse	:	
business in the County of San Joaquin,)	
State of California, under the firm	:	Application
name and style of (MANTECA WAREHOUSE,)	No. 28288
for permission to execute a note and	:	
deed of trust on his public utility)	
property.	:	
-----)	

OPINION AND ORDER

E. Powers, applicant herein, is an individual doing business under the firm name and style of Manteca Warehouse, and as such is engaged, among other things, in the operation of public utility warehouses in Manteca. For the year ending December 31, 1946, he reports his revenue from his warehouse operations at \$11,267 and from his non-warehouse operations, including revenues from cleaning grain, sale of merchandise and miscellaneous sources, at \$71,220, a total of \$82,487. He reports his net warehouse revenues at \$2,459 and his net non-warehouse revenues at \$30,570, resulting in gross income from all sources of \$33,029.

Applicant has reported that at the beginning of 1946 his investment in fixed properties amounted to \$58,584, but that during the year it became necessary to extend his facilities because of his expanding business. Accordingly, at a cost of approximately \$100,000, he constructed or installed additional concrete grain bins and new milling machinery and remodeled, enlarged and improved the warehouse buildings.

In order to finance in part the cost of acquiring and constructing such additions and improvements, applicant made arrangements to borrow the sum of \$65,000 from the Stockton Savings and Loan Bank and on August 28, 1946, issued an installment note for that amount providing for repayment in monthly installments of \$390, with interest at the rate of 5% per annum, said indebtedness being secured by a deed of trust upon applicant's property, including the property used in his public utility operations. He did not apply for, or receive, an order from this Commission authorizing the issue of the note and the execution of the deed of trust.

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 such approval was called to his attention, he forthwith filed the present application for an order authorizing the issue of the note and the execution of the deed of trust.

The Commission has considered this matter and is 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, therefore,

IT IS HEREBY ORDERED as follows:

1. E. Powers may issue a note for not exceeding \$65,000 and may execute a deed of trust in, or substantially in, the same form as the note and deed of trust filed in this proceeding, for the purpose of financing in part the cost of the additions and improvements referred to herein.

2. E. Powers 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 E. Powers has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Sixty-five (\$65.00) Dollars.

Dated at San Francisco, California, this 1st day of April, 1947.

Harold P. Kula
Justin F. Calver
Grant Powell
A. B. ...
Herbert ...
Commissioners

