

Decision No. 40981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of Arie den Dulk, Jr., for leave
to encumber property of the

DEN DULK WAREHOUSE & FEED COMPANY.

Application
No. 28881

OPINION AND ORDER

Arie den Dulk, Jr., applicant herein, is an individual engaged in business as a public warehouseman in Ripon, California, operating under the firm name and style of Den Dulk Warehouse & Feed Company.

Applicant reports that formerly he conducted his business at two locations in Ripon, that it became necessary for him to expand his operations and to consolidate them under one roof and that to that end he leased certain unimproved premises from Southern Pacific Railroad and caused to be erected thereon a mill and warehouse building at an approximate cost of \$40,000.00. Applicant further reports that he financed the cost of the building in part with his own funds and in part with borrowed moneys represented by a note for \$12,500 issued on December 1, 1946, to John Vander Kraan and Cassie Vander Kraan, as joint tenants. Said note was payable in annual installments of \$2,500 with interest at the rate of 4-1/2% per annum and was secured by a chattel mortgage on the building and equipment.

Applicant did not obtain from this Commission permission to execute the chattel mortgage or to issue the note. It clearly

appears, however, that his failure to do so was through inadvertence and with no intent to evade the provisions of the Public Utilities Act. When the matter was called to his attention he filed the present application requesting the Commission to confirm the issuance of the note and the mortgage or, in the alternative, to authorize the issue of a note secured by a chattel mortgage,

Under the provisions of the Public Utilities Act the note and mortgage heretofore executed are void and therefore cannot be confirmed by the Commission. It will be necessary for applicant to execute a new chattel mortgage and to issue a new note. The Commission is of the opinion that a public hearing is not necessary in this matter, that the money, property or labor to be procured or paid for through the issue of such note is reasonably required for the purpose specified herein and that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED as follows:

1. Arie den Dulk, Jr., after the effective date of this order and on or before January 31, 1948, may execute a chattel mortgage and issue a note for not exceeding \$12,500, in substantially the same form as the chattel mortgage and the note filed in this proceeding, for the purpose of financing in part the cost of the building referred to herein and in this application.
2. Applicant shall advise the Commission in writing, on or before February 28, 1948, of his action under the authority

herein granted.

3. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is twenty-five (\$25.00) dollars.

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

Harold D. Kula
Justin J. Casper
W. H. Russell
R. J. Dunning
Commissioners