

ORIGINAL

Decision No. 44534

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
FREEZE-IT CORPORATION for Authority)
to Issue a Long Term Note.)
-----)

Application
No. 31535

O P I N I O N

Freeze-It Corporation, applicant herein, is a California corporation engaged in the cold storage business in Burbank.⁽¹⁾ In this application it seeks authority to issue a note for \$20,000 to refund outstanding indebtedness.

Applicant was organized on or about November 12, 1941. At the outset it engaged in the frozen food locker business but later concluded to enter into the public utility cold storage business, undertook the construction of a cold storage warehouse having a storage capacity of approximately 724,000 cubic feet, in Burbank, and filed with the Commission its schedule of rates effective May 6, 1949. Its investment in its assets and its liabilities and net worth as of May 31, 1950, are reported as follows:

(1)

For the year 1949 applicant reports utility revenues of \$111,113.80 and nonutility revenues of \$76,043.12, a total of \$187,156.92, with net income of \$26,878.15.

Assets

Current assets		\$ 43,520.67
Fixed assets -		
Cost	\$747,853.49	
Less: depreciation reserve	<u>40,995.33</u>	706,858.16
Prepaid and deferred assets		<u>13,213.34</u>
	Total	<u>\$763,592.17</u>

Liabilities and Net Worth

Current liabilities -		
Notes to banks	\$ 5,000.00	
Note and loan payable (Dr.E.M.Robbins)	20,000.00	
Accounts payable	1,275.70	
Accruals	<u>3,005.51</u>	\$ 29,281.21
Installment liabilities		31,123.40
Long-term debt		496,762.17
Deferred income		<u>4,076.24</u>
	Total liabilities	\$561,243.02
Net worth -		
Capital stock	150,000.00	
Surplus	<u>52,349.15</u>	
Total net worth		<u>202,349.15</u>
	Total	<u>\$763,592.17</u>

The indebtedness of \$20,000 in favor of Dr. E. M. Robbins includes a one-year 6% note dated June 27, 1949, in the amount of \$18,539.05, representing moneys borrowed to complete the cost of the warehouse building and to purchase machinery and equipment, and the sum of \$1,460.95 advanced on open account on May 31, 1950, to increase applicant's working capital. The note now is past due and applicant desires to renew the same and to consolidate the two items in one note.

The new note will bear interest at the rate of 6% per annum and will be payable in monthly installments over a period of five years.

O R D E R

The Commission having considered the above entitled matter and being of the opinion that a public hearing thereon is not

necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for through the issue of the note herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

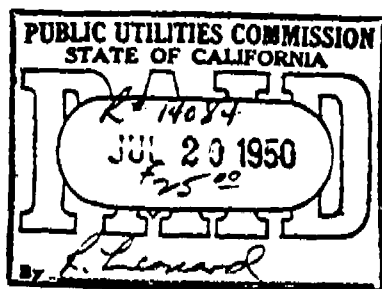
IT IS HEREBY ORDERED as follows:

1. Freeze-It Corporation, after the effective date hereof and on or before September 30, 1950, may issue a note in the principal amount of not exceeding \$20,000, payable in monthly installments over a period of five years with interest at the rate of 6% per annum, for the purpose of paying or refunding indebtedness of like amount now outstanding.

2. Freeze-It Corporation shall file with the Commission a report, or reports, as required by 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 Freeze-It Corporation 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 18th day of July, 1950.



R. Z. Anderson
Justice F. Gallen
W. H. S. S. S. S.
Hazel P. Kula
Kenneth P. Potter
Commissioners