

Decision No. 44974

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)
DELMAR E. KING and FRANCES G.)
KING, husband and wife, for an)
Order authorizing execution of)
promissory note, together with)
deed of trust.)
-----)

Application
No. 31885

OPINION AND ORDER

This is an application for an order authorizing Delmar E. King and Frances G. King, husband and wife, to execute a deed of trust and to issue a promissory note in the principal amount of \$62,500 for the purpose of paying indebtedness and of financing the cost of warehouse facilities.

It appears that applicants are engaged in the general farming business near Biggs, Butte County, and that during 1950 they have constructed, or are about to complete the construction of, a rice drier and storage bins for the purpose of drying and storing rice and other grains for themselves and for the general public. These facilities include six circular reinforced concrete bins with a total bulk storage capacity of 2,400 tons and interstice bins with a bulk storage capacity of approximately 800 tons, together with a rice drier equipped with a natural gas burner, blowers, hoppers, elevators, and motors, and miscellaneous machinery and equipment.

The construction costs are reported in the aggregate amount of \$112,857.71, which has been financed in part with applicants' own funds and in part with indebtedness consisting of a note for \$17,500 in favor of The Anglo California National Bank of San Francisco, and

an amount of \$45,000 due the contractors. At this time, applicants seek to liquidate the two items of indebtedness, and accordingly have made arrangements to borrow \$62,500 from The Anglo California National Bank of San Francisco.

The sum to be thus borrowed will be represented by a note payable in ten equal annual installments of \$6,250, with interest at the rate of 5% per annum. The payment of the note will be secured by a deed of trust covering real property owned by applicants.

The Commission has considered this matter, and is 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 applicants for the purposes specified herein; and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

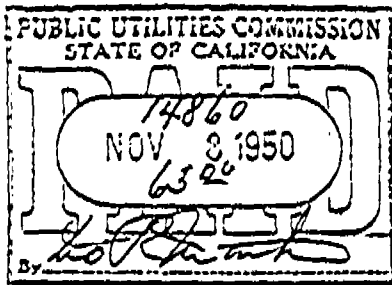
IT IS HEREBY ORDERED as follows:

1. Delmar E. King and Frances G. King, after the effective date hereof and on or before December 31, 1950, may issue a note in the principal amount of \$62,500 for the purposes indicated in this application, and may execute a deed of trust, which note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding as Exhibit A and Exhibit B, respectively.

2. Applicants 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 applicants have paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is sixty-three (\$63.00) dollars.

Dated at San Francisco, California, this 2nd day of November, 1950.



R. E. Johnson
Justin F. Caswell
James F. Wallace
Harold H. Kils
Frederick T. Latta
Commissioners