

ORIGINAL

Decision No. 15254

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of)	
BEALL REFRIGERATING CO., a California)	Application
Corporation, to Issue and Sell Capital)	No. 31992
Stock and to Assume Obligation.)	(And Amendment)
-----	.	

OPINION AND ORDER

In this application, as amended, the Commission is asked to make an order authorizing Beall Refrigerating Co. to issue and sell \$250,000 par value of its capital stock and to assume the payment of indebtedness in the principal amount of \$185,000 in order to meet the cost of acquiring real property and facilities.

Applicant is a corporation organized under the laws of the State of California on or about December 8, 1950, with an authorized capital stock of \$500,000 divided into 50,000 shares of the par value of \$10 each. It proposes to acquire from Albert W. Beall certain real property and facilities in Santa Clara and to operate a public utility cold storage warehouse, now under construction, which is designed to provide 500,000 cubic feet of refrigerated space and to accommodate about 5,000 tons of cannery fruits.

The estimated cost of the real property, and the plant and equipment, is approximately \$441,000, which has been, or will be, paid or provided in part through the issue of a note executed on November 24, 1950, by Albert W. Beall and Marion B. Beall, his wife, in the principal amount of \$185,000, and in part with moneys advanced by Albert W. Beall and his family. The note is in favor of the First National Bank of San Jose and is payable in annual

installments of \$16,500, commencing December 15, 1951, with interest at the rate of 4% per annum.

The application shows that on November 24, 1950, Albert W. Beall and Marion B. Beall executed a deed of trust to secure the payment of said note and that on the same date they agreed to execute a chattel mortgage, or such other documents as may be required by the bank, for the purpose of giving it a valid lien on all refrigeration, storage, office and handling equipment, including fork trucks and pallets, to be located on the real property covered by said deed of trust or used in connection with the cold storage business to be conducted thereon, with the exception of vehicles designed for use on the public highways.

The Commission has considered the request of applicant to issue its stock and to assume the payment of the indebtedness to acquire and to pay for said property and facilities, and is of the opinion that a public hearing on the application is not necessary, that the request of applicant should be granted, as herein provided, that the money, property or labor to be procured or paid for through the issue of stock and the assumption of indebtedness is reasonably required by applicant 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. Beall Refrigerating Co., after the effective date hereof and on or before December 31, 1951, may issue and sell, at par, not exceeding \$250,000 of its capital stock and may assume the payment of indebtedness of \$185,000 represented by a note, deed of trust and chattel mortgage, heretofore executed or to be executed by

Albert W. Beall and Marion B. Beall, for the purposes set forth in this application. Applicant may execute and deliver such other documents as may be required by First National Bank of San Jose in accordance with the agreement of November 24, 1950.

2. Applicant 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 twenty (20) days after the date hereof.

Dated at San Francisco, California, this 16th day of January, 1951.

R. Z. Ingram
Justice F. Casper
Harold P. Kula
Francis P. Potter
Commissioners