

Decision No. 45674

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of )  
ICE SICKLE ZERO STORAGE, INC., )  
a corporation, )  
for a Permit to Execute a Note )  
Secured by Existing Deed of Trust )  
and Chattel Mortgage. )  
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Application  
No. 32366

O P I N I O N

This is an application for an order authorizing Ice Sickle Zero Storage, Inc. (1) to issue notes in the aggregate amount of not exceeding \$13,000 for the purpose of financing the cost of improvements to its facilities.

Applicant is a California corporation engaged in operating cold storage facilities in Fresno. Its financial statements on file with the Commission show its revenues and expenses for the last four years as follows:

	<u>Operating Revenues</u>	<u>Operating Expenses</u>	<u>Net Oper. Income</u>	<u>Income Items-Net</u>	<u>Profit For Year</u>
1947	\$19,598	\$13,012	\$ 6,586	\$ 1,446	\$ 5,140
1948	34,876	29,658	5,218	5,554	( 336)
1949	46,779	31,225	15,554	5,790	9,764
1950	37,191	21,000	16,191	11,302(2)	4,889

The application shows that during 1950 applicant's plant was almost completely destroyed by fire, but that it has been rebuilt with insurance proceeds and other funds. As of the close of the year applicant's investment in its plant, as indicated by a

(1) Applicant was organized during 1946 as Ice Sickle Frozen Foods, Inc. In November, 1950, it amended its articles so as to change its name to Ice Sickle Zero Storage, Inc.

(2) Includes fire loss.

balance sheet filed in this proceeding, amounted to \$165,252.

Applicant reports that it proposes to undertake to freeze and store the boysenberries of Fresno Berry Growers Association during the coming season, the amount of which will greatly exceed the capacity of its present plant, requiring storage space for at least 500 tons in addition to that now available. Accordingly, applicant desires to improve two existing rooms through the installation of insulating facilities and additional blowers so that they can be utilized to handle the additional business. Applicant estimates that the area to be converted to storage will bring in approximately \$1,100 a month gross revenues at 60% average occupancy. The cost of improving the facilities is estimated at not to exceed \$13,000.

Applicant heretofore has executed a deed of trust and a chattel mortgage on its properties and now has outstanding notes in the principal amount of \$57,325.24 in favor of Bank of America National Trust and Savings Association and Reconstruction Finance Corporation. It proposes to increase its borrowings by the sum of \$13,000, approximately 30% of which will be made by the bank and 70% by Reconstruction Finance Corporation, said amounts to be represented by notes secured by the presently existing deed of trust and chattel mortgage and to be payable in monthly installments over the life of the present notes, that is, on or before April 24, 1955, with interest at not to exceed 5½% on the portion of the loan to be made by the bank and not to exceed 4½% on the portion of the loan to be made by Reconstruction Finance Corporation.

It appears that applicant will have need for the funds to be obtained through the issue of the proposed notes for the purpose specified herein.

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 notes 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,

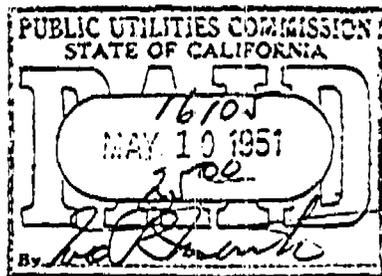
IT IS HEREBY ORDERED as follows:

1. Ice Sickle Zero Storage, Inc., after the effective date hereof and on or before September 30, 1951, may issue its notes in the aggregate amount of not to exceed \$13,000 as indicated in this application, for the purpose of financing the cost of improvements to its facilities.

2. Applicant shall file with the Commission a copy of each note issued under the authority herein granted, such filing to be made within thirty (30) days after the date of each such notes.

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 Los Angeles, California, this 8th day of May, 1951.



[Signature]  
[Signature]  
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Commissioners