

Decision No. 45811

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of VENTURA COUNTY WAREHOUSE CO.,)
a corporation, for an Order Auth-)
orizing the Issuance of Shares.)
-----)

Application
No. 32436

O P I N I O N

This is an application for an order authorizing Ventura County Warehouse Co. to issue and sell 20,000 shares of its capital stock, of the par value of \$10 each, at par for cash, for the purpose of financing the cost of additions to its facilities and of providing working capital.

Under authority granted by Decision No. 43550, dated November 22, 1949, applicant acquired certain properties located in El Rio, Ventura County, used for public utility warehouse operations and related activities. For the nine months ended April 30, 1951, applicant has reported its total revenues from all sources at \$139,295.51 and its net gain for the period at \$19,871.98. It has reported its investment in land, structures and equipment as of April 30, 1951, at \$88,066.31.

In this proceeding, applicant reports that it has operated its warehouse facilities at full capacity, which is approximately 105,000 bags or 5,250 tons, of which the bulk storage capacity is only about 250 tons. It reports further that this capacity has been and now is inadequate to handle present demands for warehouse service in the area, and that it will be required to provide additional facilities to meet demands for agricultural warehousing when the

1951 bean harvest season commences later in the year. It desires particularly to enlarge its facilities for bulk handling of commodities.

Accordingly applicant now has made, or is making, arrangements to purchase, for \$10,000, a tract of land and to construct thereon, at a cost of approximately \$80,000, an additional building, approximately 60 feet by 80 feet in dimension, for the handling of beans and other products in bulk, which will increase its capacity from 250 tons to approximately 7,500 tons. It proposes also to spend approximately \$70,000 to construct a metal building, 60 feet by 280 feet in dimension, to increase its flat storage capacity by about 80,000 sacks, and to pay for additional handling equipment. Its proposed expenditures aggregate \$160,000.

Applicant reports also that it will need the remaining \$40,000 to be received from the sale of its stock to provide additional working capital to handle properly the increased business it expects will result from the operation of not only its present facilities but also the new facilities it proposes to place in operation.

It clearly appears from the application that the proposed enlargement of applicant's facilities and service will benefit the growers in its territory. Accordingly, an order will be entered granting its request to issue stock for the purposes indicated, such order to become effective immediately so as to enable applicant to proceed with its construction program as soon as possible. It is reported that approximately two months will be required to construct and equip the additional facilities.

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 and sale of the stock herein authorized 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,

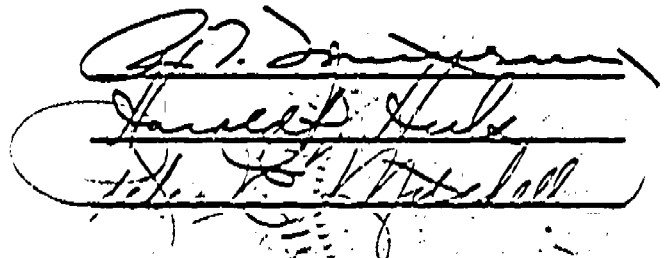
IT IS HEREBY ORDERED as follows:

1. Ventura County Warehouse Co., after the date hereof and on or before December 31, 1951, may issue and sell not to exceed 20,000 shares of its capital stock of the par value of \$10 each, at par for cash, for the purposes of financing the cost of additions and extensions to its properties and plants and of providing working capital to maintain and improve its service.

2. Ventura County Warehouse Co. shall file with the Commission monthly 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 upon the date hereof.

Dated at San Francisco, California, this 15th day of June, 1951.



Commissioners