

ORIGINAL

Decision No. 45844

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of)	
	:	
CALIFORNIA COTTON COOPERATIVE)	
ASSOCIATION, LTD., a non-stock	:	Application
corporation,)	No. 32437
	:	
for permission to place deed of)	
trust on property on which is lo-	:	
cated warehouses and water system.)	
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O P I N I O N

This is an application for an order of the Commission authorizing California Cotton Cooperative Association, Ltd. to execute a deed of trust on its properties.

Applicant reports that it is a non-stock cooperative organized on February 23, 1927, under the provisions of the Agricultural Code of the State of California as a cooperative marketing association, and as such has been engaged in operations for the benefit of its members. However, under authority granted by the Commission by Decision No. 45514, dated April 3, 1951, it acquired certain public utility warehouse and water properties in Fresno County, formerly owned by Pinedale Compress & Warehouse Co., and filed its schedules, effective May 14, 1951, naming rates for public utility warehouse and water service.

The application shows that in its primary business of compressing, storing and marketing cotton for its members, applicant from time to time is required to borrow large sums of money from banking institutions. It has made arrangements, as indicated in Exhibit A filed in this proceeding, to borrow up to \$2,500,000

from Berkeley Bank For Cooperatives, and to execute a deed of trust on its properties, including those used in its public utility operations, to secure the payment of any notes which it may issue. It appears that on March 27, 1951, it made arrangements to borrow \$1,000,000, to be represented by a note payable over a period of five years, with interest at the rate of 4% per annum. Applicant does not ask at this time for authority to issue additional notes.

Upon the representations made in this application, it appears that the Commission is warranted in authorizing applicant to execute the proposed deed of trust. In the event applicant desires in the future to issue notes payable more than twelve months after their dates, it will be necessary for it first to file an application for authority to issue such notes, as required by Section 52(b) of the Public Utilities Act.

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; and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. California Cotton Cooperative Association, Ltd., after the effective date hereof and on or before September 30, 1951, may execute a deed of trust in substantially the same form as that filed in this proceeding as Exhibit A.

2. The authority herein granted is effective upon the date hereof.

Dated at San Francisco, California, this 19th day of June, 1951.

R. T. [Signature]
Harold H. [Signature]
[Signature]
Commissioners