

ORIGINAL

Decision No. 46762

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of E. J. SAAL and SOPHIA H. SAAL,)	
his wife, and OSCAR F. ZEBAL and AGNES L. ZEBAL,	:	
his wife, - as individuals; and E. J. SAAL and)	
OSCAR F. ZEBAL, as copartners doing business	:	
under the fictitious name and style of RIZ)	Application
WAREHOUSE COMPANY, a copartnership, - to	:	No. 33142
execute a \$50,000.00 note to be secured by)	
a Deed of Trust and Chattel Mortgage encumbering	:	
real and personal property.)	
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OPINION AND ORDER

This is an application for an order authorizing E. J. Saal and Sophia H. Saal, his wife, and Oscar F. Zebal and Agnes L. Zebal, his wife, to issue a note in the principal amount of \$50,000 for the purpose of financing the cost of additions and improvements and to execute a deed of trust and a mortgage of chattels to secure the payment of said note.

The application shows that E. J. Saal and Oscar F. Zebal, partners doing business under the firm name of Riz Warehouse Company, are engaged in the business of storing rice, barley, wheat and other commodities as a public warehouseman in the County of Glenn, and in other activities. In this proceeding they report that they have found it necessary to improve and enlarge their operations through the purchase or construction, at a cost of approximately \$92,000, of the following facilities:

One new rice drier, estimated cost	\$32,000
Six steel grain bins with a capacity of 150,000 pounds each, estimated cost	20,000
Bracing and partitioning the present ware- house building and installing the new drier, estimated cost	<u>40,000</u>
Total	<u>\$92,000</u>

Applicants report that they do not have sufficient funds on hand to meet these costs and that they propose to borrow \$50,000 from The Bank of California N.A. in San Francisco to meet a portion of the costs. The sum to be thus borrowed will be represented by a note payable in annual installments of not less than \$10,000, plus interest at the rate of 5% per annum.

The Commission has given consideration to 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,

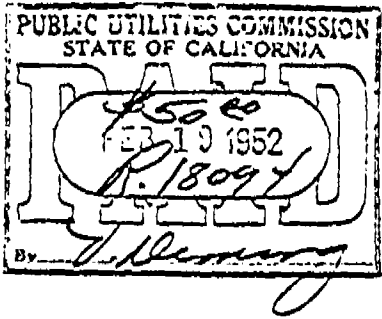
IT IS HEREBY ORDERED as follows:

1. E. J. Saal and Sophia H. Saal, his wife, and Oscar F. Zebal and Agnes L. Zebal, his wife, after the effective date hereof and on or before June 30, 1952, may issue a note in the principal amount of not exceeding \$50,000 for the purposes indicated herein, and may execute a deed of trust and a mortgage of chattels, which note, deed of trust and mortgage of chattels shall be in, or substantially in, the same form as those filed in this proceeding.

2. Applicants 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 when applicants have paid the fee prescribed by Section 1904 of the Public Utilities Code, which fee is fifty (\$50.00) dollars.

Dated at San Francisco, California, this 19th day of February, 1952.



R. J. [Signature]
President

Julius F. Craven
Harold [Signature]

Commissioners