

ORIGINAL

Decision No. 47013

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
	:	
KERN ICE & COLD STORAGE COMPANY, a	)	
corporation,	:	Application
	)	No. 33290
	:	
for an order authorizing renewal of	)	
loan and execution of deed of trust	:	
on property used in performance of	)	
duties to the public.	:	
-----	)	
	:	

OPINION AND ORDER

Kern Ice & Cold Storage Company has filed this application for authorization to issue a promissory note in the principal amount of \$45,000 for the purpose of refinancing outstanding indebtedness and for authorization to execute a deed of trust to secure the payment of said note.

Applicant is a corporation engaged in the cold storage business in Bakersfield, Kern County. (1) In its latest financial statements filed with the Commission it reports that as of December 31, 1951, it had invested \$86,027.24 in current assets and \$373,241.63 in its plants and properties, after deduction for depreciation in the amount of \$112,077.81, making a total recorded investment of \$459,268.87, and that it had financed such investment with equity capital in the amount of \$355,067.66, current liabilities of \$49,201.21, and a note in favor of Bank of America National Trust and

(1)

Applicant's annual reports show its revenues during the last three years as follows:

	<u>1949</u>	<u>1950</u>	<u>1951</u>
Operating revenues	\$120,407	\$145,934	\$164,864
Nonoperating revenues	1,503	1,533	1,479
Total revenues	<u>121,910</u>	<u>147,467</u>	<u>166,343</u>
Net income for year	\$ 27,544	\$ 27,752	\$ 29,152

Savings Association in the amount of \$55,000 remaining outstanding at the close of the year.

Applicant reports that since the date of the balance sheet it has paid \$10,000 on account of the note and that it now desires, and has made arrangements, to refinance the remaining \$45,000 through the issue to the bank of a new note in the principal amount of \$45,000, payable in annual installments of \$15,000 beginning March 1, 1953, with interest at the rate of 5% per annum on deferred balances. The payment of the note will be secured by a deed of trust.

The Commission has considered 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 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. Kern Ice & Cold Storage Company, after the effective date hereof and on or before August 31, 1952, may issue a note in the principal amount of \$45,000 for the purpose indicated in this application and may execute a deed of trust, which note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding as Exhibit A and Exhibit B, respectively.

2. Applicant 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 applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is forty-five (\$45.00) dollars.

Dated at San Francisco, California, this 22<sup>nd</sup> day of April, 1952.

*R. B. [Signature]*  
President

*Justus J. Calver*  
*Harold P. Hule*

*Annetha Potter*  
*John L. Mitchell*  
Commissioners

