

to borrow the entire construction cost, such borrowing to be represented by a note repayable in five equal annual installments of \$10,000, with interest at the rate of 4-1/2% per annum.

It appears that applicant does not have immediate use for the facilities it proposes to erect and that therefore it intends to lease such facilities, except for approximately 1,500 square feet, to Paul A. Mariani, Jr. and Anthony Greich, individually and doing business under the fictitious name and style of Mariani Frozen Foods, for a term of five years at an annual rental of \$3,000. The lease agreement provides that the principal purpose for which said premises are leased is the processing, washing and packing of fruit and that the lessees will offer to applicant for freezing, pre-cooling and storing all products processed for freezing in the leased premises.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for by 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. Santa Clara Cold Storage & Freezer Co., on and after the effective date hereof and on or before September 30, 1954, may issue a note in the principal amount of not exceeding \$50,000 for the purpose indicated herein, such note to be in, or substantially in, the same form as the note filed in this proceeding as Exhibit A, and may execute and enter into an agreement and lease, in, or

substantially in, the same form as that filed as Exhibit B.

2. Applicant shall file with the Commission a report, or 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 \$50.00.

Dated at San Francisco, California, this 20th day of April, 1954.

R. F. [Signature]
President

[Signature]
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Commissioners

