

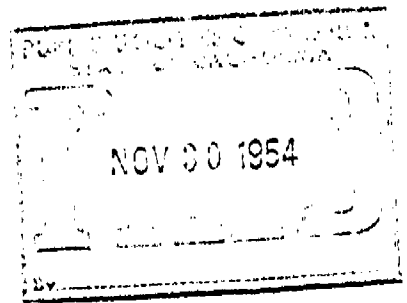
**ORIGINAL**

Decision No. 50797

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
WALTER JANSEN & SON, a Limited Co- )  
partnership, to Issue a Promissory )  
Note in the Sum of One Hundred )  
Thousand Dollars (\$100,000), and to )  
Give Security Therefor. )  
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Application  
No. 35933



OPINION AND ORDER

This is an application for an order of the Commission authorizing Walter Jansen & Son to execute a deed of trust and to issue a note in the principal amount of \$100,000.

Applicant is a partnership engaged in the business of operating public utility warehouses at Lincoln, in the County of Placer, and at Gridley, in the County of Butte, and in the conduct of related nonutility activities, the greater part of its total operations being of a nonutility nature.<sup>1/</sup> Applicant reports that it has invested \$260,774 in its plants and properties, net after depreciation reserve, and that it has financed itself primarily with capital contributions by its members and in part through the issue of short-term notes and the use of working capital.

It appears that applicant now desires to replenish its working capital to the extent of \$100,000. It reports that due to recent construction expenditures in the amount of \$125,000 it has depleted its working cash and that it is necessary for it from

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<sup>1/</sup> In 1953, nonutility revenues were reported at \$233,615 and utility revenues at \$28,923, a total of \$262,538, with net income for the year of \$35,186. The operator has no long-term debt. It had current assets at the close of 1953 of \$307,239 and current liabilities of \$138,215.

time to time to borrow sums in excess of \$100,000 to carry on its affairs. It seeks at this time to improve its financial position through the execution of a longer-term form of indebtedness and has made arrangements to borrow \$100,000 from The Anglo California National Bank of San Francisco to reimburse its treasury for funds heretofore used for capital expenditures, said sum to be thus borrowed to be represented by a promissory note bearing interest at the rate of 5% per annum and payable in semi-annual installments of \$7,500.

From a review of the application it appears that the assets and earnings of the business should be ample to support the issue of the note. We are of the opinion that a public hearing in this matter 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. Walter Jansen & Son may execute a deed of trust and issue a note in the principal amount of not exceeding \$100,000 for the purpose set forth in this application, said deed of trust and note to be executed on or before December 31, 1954, and to be in, or substantially in, the same form as those filed in this proceeding.

2. Walter Jansen & Son 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 Walter Jansen & Son has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$100.00.

Dated at San Francisco, California, this 30<sup>th</sup> day of November, 1954.

*Robert E. Mitchell*  
President

*Herbert D. Pittel*

*Deane Higgins*

*Raymond L. Interscience*

Commissioners

