

Decision No. 51559

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of the)	
International Fertilizer & Feed Company, a	:	
Corporation, for an order authorizing)	Application
the issuance of promissory note and	:	No. 37000
encumbrance of public utility property.)	
-----	:	

OPINION AND ORDER

International Fertilizer & Feed Company, applicant herein, is a California corporation engaged in business in Bakersfield as a public utility warehouseman of general commodities and in certain sales and other activities. In this application it seeks authorization to execute a deed of trust and to issue a note in the principal amount of \$50,000 for the purpose of providing additional working capital, said note to be payable in quarterly installments of \$10,000 with interest at the rate of 6% per annum.

According to information filed in this proceeding, applicant's utility operations constitute but a small part of its total business, its financial statement for the eight months ended April 30, 1955, showing warehouse revenues of \$85,759, net sales of agricultural commodities of \$1,552,430, and other income of \$99,289, with net profit from all sources of \$47,302. Its balance sheet as of the end of April of this year indicates that it has invested in fixed assets the net sum of \$438,424 and that it has financed its permanent investment primarily with equity capital, although it has borrowed sums of money to provide working capital and at present has outstanding a mortgage loan of \$192,736 which it executed under

authorization granted by the Commission for this purpose. It reports current assets at \$284,562 and current liabilities, exclusive of its mortgage loans, at \$269,820.

The Commission has considered this matter and is of the opinion that in view of the volume of applicant's business it has need for additional working capital, that its assets and earnings are sufficient to warrant an order authorizing the issue of the note as applied for, 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, that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that a public hearing is not necessary, therefore,

IT IS HEREBY ORDERED as follows:

1. International Fertilizer & Feed Company, after the effective date hereof and on or before December 31, 1955, may issue a note in the principal amount of \$50,000 for the purpose of providing working capital, and may execute a deed of trust in, or substantially in, the same form as that filed with the Commission in Application No. 33639.

2. International Fertilizer & Feed Company 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 \$50.

Dated at San Francisco, California, this 9th day of June, 1955.

John E. Mitchell
President

James H. ...
...

Commissioners

