

Decision No. 53270

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of TRIANGLE COLD STORAGE COMPANY :
for authorization to execute)
evidence of indebtedness.)
-----)

Application
No. 38105

OPINION AND ORDER

This is an application for an order authorizing Triangle Cold Storage Company, a corporation, to execute a deed of trust and to issue two notes in the aggregate principal amount of not exceeding \$30,362.97.

Applicant, a California corporation organized in 1946, reports that it conducts freezing and cold storage warehouseman operations in a 9,600 sq. ft. reinforced concrete building located on leased property at 4800 East Washington Boulevard, Los Angeles. It states that the equipment located in the leased building, consisting of York ammonia compressors and cork insulation, was installed by it at an original cost of \$170,000. For the years 1954 and 1955 it has reported a net income of \$32,761 and \$35,018, respectively.

The application shows that, in connection with financing the acquisition of property located at 611 East Longden, San Gabriel, having an approximate value of \$40,000, applicant executed a deed of trust on the property as security for the payment of a \$21,000 note in favor of California Federal Savings and Loan Association, payable in monthly installments of \$161 including interest at the rate of 5-1/2% per annum on unpaid principal. In order to obtain funds to make the necessary down payment on such property without depleting

its working capital, applicant reports that it issued to C. W. L'Ecluse, its president, and Carlotta L'Ecluse, his wife, its note for \$9,362.97, payable within two years, together with interest at the rate of 6% per annum.

The property at 611 East Longden, San Gabriel, is described in the application as consisting of a two-story residence of 3,900 square feet, situated on a 95' x 210' lot. It is being acquired by applicant as an investment.

Applicant did not obtain authorization from the Commission to execute the deed of trust or to issue the \$21,000 note and the \$9,362.97 note. Upon being informed of the requirements of the law, applicant proceeded to apply for the necessary authority to execute new documents. It appears that applicant's failure to obtain the necessary prior authorization was through inadvertence and without intent to evade the provisions of the Public Utilities Code.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the execution of the deed of trust and the issue of the notes will not adversely affect the public utility operations, that the money, property or labor to be procured or paid for by the issue of the notes 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. Triangle Cold Storage Company, on and after the effective date hereof and on or before September 30, 1956, may execute a new deed of trust and may issue two new notes, one in the amount of not exceeding \$21,000 and the other in the amount of not

exceeding \$9,362.97, for the purpose set forth in this application, which deed of trust and notes shall be in, or substantially in, the same form as those filed in this proceeding.

2. Within 30 days after the issue of the notes herein authorized Triangle Cold Storage Company shall file with the Commission a copy of each as actually issued.

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 \$31.

Dated at San Francisco, California, this 26th day of June, 1956.

John E. Mitchell
President

Justin S. Casner
Randy Winters

Walter J. Cole

Commissioner's

