

**ORIGINAL**

Decision No. 55094

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA.

In the Matter of the Application of  
D. S. ADAMS, D. Q. ADAMS,  
D. Q. ADAMS, JR., W. W. ADAMS,  
W. W. ADAMS, JR., ELIZABETH ADAMS  
McCLURE and MARGARET ADAMS DALLAM,  
doing business as ADAMS, SCHWAB &  
ADAMS WAREHOUSE COMPANY, for an  
order authorizing execution of  
evidence of indebtedness, and  
encumbrance of public utility  
property.

Application No. 39085

OPINION AND ORDER

D. S. Adams, D. Q. Adams, D. Q. Adams, Jr., W. W. Adams, W. W. Adams, Jr., Elizabeth Adams McClure, and Margaret Adams Dallam, partners doing business as Adams, Schwab & Adams Warehouse Company, are engaged in the business of a public utility warehouseman storing rice and grain at Dunnigan and Woodland, California. In this application they seek an order of the Commission authorizing them to execute a notice of advance under deed of trust, and to issue a note in the principal amount of \$125,000 for the purpose of financing the cost of additional storage facilities.

Under the authority of Decision No. 51170, dated March 8, 1955, applicants executed a mortgage of chattels and a deed of trust to secure the payment of a promissory note in the amount of \$190,000, the unpaid balance of which is now \$142,400. In order to secure the payment of an additional amount of \$125,000 applicants propose to execute a notice of advance under deed of trust in addition to the mortgage of chattels and deed of trust

previously executed. The borrowing of the additional \$125,000 will be represented by a note to Crocker-Anglo National Bank, bearing interest at the rate of 5-1/4 per cent per annum on unpaid principal, with principal payable in equal successive annual installments of \$8,500 each until March 3, 1965, at which time any unpaid balance of principal and all accrued interest will be due and payable.

Applicants propose to borrow the \$125,000 for the purpose of financing the cost of constructing an addition of 8,500 tons of grain storage capacity to their plant, which will increase such capacity by approximately one-third.

Upon reviewing the application, we are of the opinion that a public hearing is not necessary, that the application should be granted, that the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required by applicants 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. D. S. Adams, D. Q. Adams, D. Q. Adams, Jr., W. W. Adams, W. W. Adams, Jr., Elizabeth Adams McClure, and Margaret Adams Dallam may issue a note in the principal amount of not exceeding \$125,000 for the purpose set forth in this proceeding, and may execute a notice of advance under deed of trust, such note and notice of advance under deed of trust to be in, or substantially in, the same form as those filed in this proceeding as Exhibit A and Exhibit B, respectively.

2. Applicants 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 applicants have paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$125.

Dated at San Francisco, California, this 11<sup>th</sup> day of June, 1957.

*E. J. [Signature]*  
 President

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*  
 Commissioners

