

ORIGINAL

Decision No. 50780

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of

FARMERS PUBLIC WAREHOUSE AND HI
AND DRY WAREHOUSE, INC., a
corporation, to issue promissory
note for the purpose of new con-
struction.

Application No. 40087

OPINION AND ORDER

This is an application for an order of the Commission authorizing Farmers Public Warehouse and Hi and Dry Warehouse, Inc. to issue a note in the principal amount of \$50,000 for the purpose of financing the cost of additional facilities.

Applicant is engaged in operating public warehouses for the storage of agricultural commodities in the Sacramento Valley and in conducting related nonutility activities. It reports that there is an increasing demand for bulk storage in its area and that it proposes to construct, on certain real property now owned by it, additional facilities consisting of four bulk storage cement bins or silos, 24 feet in diameter and 76 feet in height, together with necessary conveying equipment, at a cost of \$50,000. The new installation will provide storage capacity for approximately 4,000 tons at one time in bulk storage.

It appears that applicant does not have sufficient cash on hand to finance the construction costs and that, therefore, it has arranged to borrow \$50,000 from the Crocker-Anglo National Bank

to meet the cost of the new plant. The borrowing will be represented by a note payable in annual installments of \$8,500 with interest at the rate of 5½% per annum.

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 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. Farmers Public Warehouse and Hi and Dry Warehouse, Inc., on and after the effective date hereof and on or before August 31, 1958, may issue a note in the principal amount of not exceeding \$50,000 for the purpose set forth in this proceeding, which note shall be in, or substantially in, the same form as that attached to the application.

2. Farmers Public Warehouse and Hi and Dry Warehouse, Inc. shall file with the Commission a monthly 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 Farmers Public Warehouse and Hi and Dry Warehouse, Inc. has

paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California, this 4th day of June, 1958.

John E. Mitchell
President
Ray E. Hartman
Mark K. ...
E. Lynn Fox
Theodore ...
Commissioners

