

**ORIGINAL**

Decision No. 56902

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

LEE F. TAYLOR COMPANY, INC., a  
California corporation,

for a Permit to issue and sell  
its shares.

Application No. 40050  
(First Supplemental)

FIRST SUPPLEMENTAL OPINION AND ORDER

In a supplemental application filed in the above-entitled matter, Lee F. Taylor Company, Inc. seeks authorization to issue a note for \$30,433.11.

By Decision No. 56654, dated May 12, 1958, the Commission authorized Lee F. Taylor Company, Inc. to issue \$5,000 of common stock to finance, in part, the cost of assets to be used in warehouse operations in Stockton and to provide working capital.

The company reports that it will issue all the stock, except two shares of the par value of \$200, to Lee F. Taylor and that, in addition, it proposes to issue to said Lee F. Taylor a promissory note in the principal amount of \$30,433.11 for the purpose of financing the cost of warehouse machinery and equipment and improvements on leased premises, as set forth in some detail in the application. The note will be payable in annual installments of \$5,000 with interest at the rate of 4% per annum.

The application shows that the company has filed its rates with the Commission, effective May 5, 1958, that it is conducting its operations in premises leased from Southern Pacific Railroad Company, which premises contain 65,000 square feet of storage space, and that it has been certified by the Commodity Credit Corporation as a warehouseman of grain.

Under the circumstances set forth in this proceeding, we will enter an ex parte order authorizing the issue of the note, therefore,

IT IS HEREBY ORDERED as follows:

1. Lee F. Taylor Company, Inc., on and after the effective date hereof and on or before December 31, 1958, may issue an unsecured promissory note in the principal amount of not exceeding \$30,433.11, along with the \$5,000 of stock authorized by Decision No. 56654, dated May 12, 1958, under the terms and for the purposes set forth in the first supplemental application in this proceeding, it being the opinion of the Commission that the money, property or labor to be procured or paid for by the issue of such note and stock is reasonably required for the purposes specified herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

2. Lee F. Taylor Company, Inc. 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 Lee F. Taylor Company, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$31.

Dated at San Francisco, California, this 1st day of July, 1958.

L. Taylor Fox  
 President

Robert L. Mitchell

Paul J. Linterman

William H. ...

Frederic J. ...  
 Commissioners

