

**ORIGINAL**

Decision No. 57179

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of RIVERSIDE ELEVATORS, a California corporation, for an order authorizing the issuance of a note and the execution of a deed of trust and chattel mortgage securing the same, to discharge outstanding obligations and build additional storage facilities.

Application No. 40304

OPINION AND ORDER

This is an application for an order of the Commission authorizing Riverside Elevators, a California corporation, to execute a deed of trust and a mortgage of chattels, and to issue a promissory note in the principal amount of \$200,000, for the purpose of refunding outstanding indebtedness and of financing additional grain storage facilities.

Applicant is a public utility warehouseman engaged in the bulk storage and handling of grain and other commodities near Isleton. It reports its net investment in its properties as of June 30, 1958, in the amount of \$200,571.08, its investment in other assets in the amount of \$19,820.49, and its current assets at \$192,056.37, making total assets of \$412,447.94. For the fiscal year ended May 31, 1958, it reports an income from all operations of \$38,763.60 before interest and taxes on income.

The application shows that applicant's only long-term indebtedness consists of the balance remaining on the \$200,000 note issued under authority of Decision No. 46403, dated November 13, 1951, which balance amounts to \$80,000. Applicant now proposes to issue a note in the principal amount of \$200,000 to Bank of Rio Vista and The Mechanics Bank, Richmond, or either of them, and to use the proceeds to discharge the \$80,000 indebtedness and accrued interest, to pay for the acquisition of approximately 1.456 acres of additional land, and to finance the erection of grain storage facilities in a steel building on such land to provide for storing about 12,000 more tons of grain. The new \$200,000 note will be payable in ten annual installments of \$20,000 each, with interest at the rate of 5% per annum payable quarterly. Payment of the note will be secured by a deed of trust and a mortgage of chattels.

We have made a review of this application and 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 for the purposes set forth herein and that the expenditures for such purposes, except as otherwise authorized, are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Riverside Elevators, a corporation, on and after the effective date hereof and on or before December 31, 1958, may execute a deed of trust and a mortgage of chattels, and may issue a promissory note in the principal amount of not exceeding \$200,000 for the purposes set forth in this application, said documents to be in, or substantially in, the same form as those filed with the application.

2. Riverside Elevators, a corporation, 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 Riverside Elevators, a corporation, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$120.

Dated at San Francisco, California, this  
19th day of August, 1958.

E. J. Fox  
President  
W. H. ...  
...  
Theodore ...

Commissioners

