

ORIGINAL

Decision No. 58088

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application

of

YUBA CITY REFRIGERATING COMPANY

for an order authorizing it to execute its Promissory Note to Crocker-Anglo National Bank and to secure the same by Deed of Trust on utility property.

Application No. 40831

OPINION AND ORDER

This is an application for an order of the Commission authorizing Yuba City Refrigerating Company to execute a deed of trust and to issue a note in the principal amount of \$105,000.

Applicant is engaged in the cold storage warehouse business in Yuba City. It reports that its volume of business and the customer demands for storage space require it to increase its storage facilities and that, in order to meet this requirement, it intends to acquire a parcel of land adjacent to its plant and to construct and equip an addition thereon which will provide approximately 10,000 square feet of storage space, all at an estimated cost of \$85,000.

To finance its estimated costs, and to refund an existing loan balance of \$20,000, applicant has made arrangements to borrow \$105,000 from Crocker-Anglo National Bank, the borrowing to be represented by a note payable in annual installments of \$21,000 with interest at the rate of 6 per cent per annum, payment to be secured

by a deed of trust covering its real property. A copy of the proposed note has been filed as Exhibit B and a copy of the deed of trust as Exhibit C.

The company's financial statement shows its investment in cold storage property as of November 30, 1958, at \$427,822.25, after deducting the depreciation reserve, and its outstanding long-term debt at only \$20,000, its plant and operations having been financed primarily with proprietary capital. Current and prepaid assets were reported at \$65,105.54 with current liabilities at \$8,294.26. The revenues for the latest fiscal year aggregated \$202,577.70, and the net profit \$18,289.90, after deducting \$38,253.15 for depreciation.

The Commission has considered this application and the company's financial statements, and is of the opinion that a public hearing is not necessary, 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 purposes specified herein, and that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that the application should be granted; NOW THEREFORE,

IT IS ORDERED as follows:

1. Yuba City Refrigerating Company, on and after the effective date hereof and on or before July 31, 1959, may execute a deed of trust and may issue a note in the principal amount of not to exceed \$105,000, in substantially the same form as the deed of trust and note attached to the application, for the purposes of paying the \$20,000 balance remaining on the note authorized by

Decision No. 56009, dated December 19, 1957, and of providing funds to finance the cost of enlarging and increasing its facilities.

2. Yuba City Refrigerating Company shall comply with the applicable filing requirements of General Order No. 24-A.

3. This opinion and order will become effective when applicant has paid the \$85 fee prescribed by Section 1904(b) of the Public Utilities Code.

Dated at San Francisco, California, this 10<sup>th</sup> day of March, 1959.

*E. Lee Fox* President  
*W. H. ...*  
*...*  
*...*  
*...* Commissioners

