

ORIGINAL

Decision No. 59537

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

WESTERN REFRIGERATION COMPANY,
 a corporation;
 SAN MARTIN COLD STORAGE CO.,
 a corporation;
 SANTA MARIA FREEZER AND COLD STORAGE CO.,
 a corporation;
 WESTERN COLD STORAGE CO.,
 a corporation;
 LLAGAS REFRIGERATING CO.,
 a corporation;

for an order (1) authorizing Western Refrigeration Company to issue shares of its capital stock (2) authorizing Western Refrigeration Company to acquire all of the outstanding capital stock of San Martin Cold Storage Co., Santa Maria Freezer and Cold Storage Co., and Llagas Refrigerating Co.; (3) authorizing Santa Maria Freezer and Cold Storage Co. to merge or dissolve Western Cold Storage Co.; (4) authorizing Western Refrigeration Company to merge or dissolve San Martin Cold Storage Co., Santa Maria Freezer and Cold Storage Co., and Llagas Refrigerating Co.; (5) declaring that public convenience and necessity require or will require the transaction of a refrigerated warehouse business by Western Refrigeration Company in Santa Maria and San Martin; (6) authorizing San Martin Cold Storage Co., Santa Maria Freezer and Cold Storage Co., Western Cold Storage Co., and Llagas Refrigerating Co., to withdraw or cancel their rates, rules and regulations and Western Refrigeration Company to adopt or establish the same as its own; and (7) authorizing Western Refrigeration Company to issue its promissory note or notes maturing more than 12 months from the date thereof to Bank of America National Trust and Savings Association and to mortgage its properties to secure said promissory note; authorizing Western Refrigeration Company to issue its promissory notes maturing more than 12 months from the date thereof to owners of common stock of San Martin Cold Storage Co., Santa Maria Freezer and Cold Storage Co., and Llagas Refrigerating Co.; and authorizing Western Refrigeration Company to borrow money on open account from Southeastern Public Service Company.

Application
 No. 41735
 (First
 Supplemental)

FIRST SUPPLEMENTAL OPINION AND ORDER

By Decision No. 59412, dated December 21, 1959, the Commission in granting Western Refrigeration Company authority to merge or dissolve San Martin Cold Storage Co., Santa Maria Freezer & Cold Storage Co., and Llagas Refrigerating Co., pursuant to Section 4124 or Part 9 of Division 1 of the California Corporations Code, authorized Western Refrigeration Company (1) to issue its promissory notes to Bank of America National Trust and Savings Association in the aggregate principal amount of not to exceed \$400,000, (2) to issue its promissory note, or notes, in the aggregate principal amount of not to exceed \$533,479.65 to the stockholders of San Martin Cold Storage Co. and Santa Maria Freezer & Cold Storage Co., and (3) to assume outstanding obligations of the companies to be merged or dissolved, which outstanding obligations included long-term debt with a balance of \$996,026 as of October 31, 1959.

By a first supplemental application filed on January 20, 1960, applicants request that the authorization heretofore granted by Decision No. 59412 be amended so as to authorize Western Refrigeration Company to issue its note in the principal amount of not to exceed \$1,400,000 in place of assuming outstanding obligations of \$996,026 and the issuing of a new note, or notes, in the aggregate amount of \$400,000 to cover additional borrowings. Applicants also request that Ordering Paragraph 7 of Decision No. 59412 be modified, to the extent necessary, so as to authorize the execution of a deed of trust and chattel mortgages which will secure payment of a note in the principal amount of \$1,400,000.

The Commission has considered this matter and is of the opinion that the requests contained in the first supplemental application should be granted, therefore,

IT IS HEREBY ORDERED as follows:

1. That Ordering Paragraph 7 of Decision No. 59412, dated December 21, 1959, which reads as follows:

"Western Refrigeration Company, on or after the effective date hereof and on or before June 30, 1960, may issue its promissory notes to Bank of America National Trust and Savings Association in the aggregate principal amount of not to exceed \$400,000, payable serially to December 15, 1966, with interest at the rate of 6% per annum and shall use the proceeds for the purposes set forth in this application and may execute a deed of trust to secure payment of said notes, the notes and deed of trust to be in, or substantially in, the same form as those on file in this proceeding."

be, and it hereby is, amended to read as follows:

"Western Refrigeration Company, on and after the effective date hereof and on or before June 30, 1960, may issue its promissory note to Bank of America National Trust and Savings Association in the aggregate principal amount of not to exceed \$1,400,000, payable quarterly to December 15, 1966, with interest at the rate of 6% per annum and shall use the proceeds for the purposes set forth in this application as supplemented, and may execute a deed of trust and chattel mortgages to secure payment of said note, the note, deed of trust and chattel mortgages to be in, or substantially in, the same form as those on file in this proceeding."

2. The authority granted by this First Supplemental Opinion and Order will become effective when Western Refrigeration Company has paid the additional fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$533.

3. Decision No. 59412, dated December 21, 1959, shall remain in full force and effect, except as modified by this First Supplemental Opinion and Order.

Dated at San Francisco, California, this 26th day of January, 1960.

Ernest R. Long
 President

Richard E. Mitchell

C. Lynn Fox

Theodore Jenner
 Commissioners

