

ORIGINAL

Decision No. 59748

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
NATIONAL ICE AND COLD STORAGE COMPANY
OF CALIFORNIA

for an order authorizing the applicant to execute and deliver a promissory note to be made payable to the order of the Crocker-Anglo National Bank, in the face amount of one hundred thousand (100,000) dollars, together with interest payable at the rate of six per cent (6%) per annum, said note to be payable in five equal annual installments, the last of which shall be five years from the date of said note.

Application No. 41967

O P I N I O N

This is an application filed on February 19, 1960, for an order of the Commission authorizing National Ice and Cold Storage Company of California to issue a \$100,000 unsecured note.

Applicant is engaged in the operation of cold storage warehouses and ice plants in Riverside, San Francisco, Stockton, Santa Rosa, Marysville, Petaluma, Watsonville, Oakland and Sacramento. It reports that it proposes to expend approximately \$158,000 to construct a single-story cold storage building equipped with refrigeration and other facilities, on premises it owns at 2338 - 9th Avenue in the City of Sacramento, and that it intends to borrow \$100,000 from Crocker-Anglo National Bank to meet, in part, such costs.

Under the terms of the proposed agreement with Crocker-Anglo National Bank, the \$100,000 will be loaned to applicant upon demand at any time prior to June 1, 1960, such loan to be evidenced by an unsecured promissory note, called Term Note, which will bear interest at the rate of 6 per cent per annum payable quarterly, and will be payable as to principal in five successive annual installments of \$20,000 each.

Exhibit 2 attached to the application shows that during 1959, applicant's revenues aggregated \$3,436,409, of which \$2,208,469 were derived from the cold storage department, \$835,661 from the ice department, and \$392,279 from the frozen food department; its net income for 1959 is reported at \$163,825. A financial statement attached to the application as Exhibit 1 shows the company's financial position as of December 31, 1959, a summary of the same being as follows:

Assets

Plant less depreciation reserve	\$3,722,318
Investments	334,258
Current assets	1,111,658
Deferred charges	130,402
Total	<u>\$5,298,636</u>

Liabilities and Capital

Long-term liabilities	\$2,060,150
Current liabilities	401,167
Preferred stock	48,100
Common stock	2,000,000
Additional stated capital	1,000
Surplus	788,219
Total	<u>\$5,298,636</u>

We have considered this application and are of the opinion that applicant will have need for additional funds if it is to proceed with its construction program; 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 purpose indicated, and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. An order will be entered granting the application.

O R D E R

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary, therefore,

IT IS HEREBY ORDERED as follows:

1. National Ice and Cold Storage Company of California, on or after the effective date hereof and on or before June 30, 1960, may issue, execute and deliver the documents and promissory note in the face amount of not to exceed \$100,000, under and pursuant to the terms and conditions set forth in the exhibits attached to the application, for the purpose of financing, in part, the costs referred to in this proceeding.

2. This authorization shall not be construed as a permit for National Ice and Cold Storage Company of California to add to, extend, or otherwise increase its storage or warehouse floor space by more than 50,000 square feet in the City of

Sacramento for operations conducted as a warehouseman defined by Section 239(b) of the Public Utilities Code, for which a certificate of public convenience and necessity is required by Section 1051 of the Public Utilities Code.

3. National Ice and Cold Storage Company of California 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.

4. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$100.

Dated at San Francisco, California, this 8th day of March, 1960.

[Signature]
President
[Signature]
[Signature]
[Signature]
Theodore J. Jenner
Commissioners

