

ORIGINAL

Decision No. 59799

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of UNION ICE & STORAGE COMPANY,
a corporation, for authorization
to issue a promissory note.

Application No. 42011

OPINION AND ORDER

Union Ice & Storage Company, applicant herein, is a California corporation engaged in business as a public utility cold storage warehouseman at various locations within the State of California. In this application, which was filed on March 7, 1960, it seeks authorization to issue a note for \$50,000 to finance the cost of improvements at its Stockton plants as follows:

At Plant No. 91 to rehabilitate the meat cutting and processing area, together with office and rest rooms in order to conform to the Bureau of Animal Industry Specifications (U. S. Department of Agriculture) \$15,000

At Plant No. 91 to install additional freezing machinery and equipment in order to convert an ante-room in cold storage into a blast freezer with capacity of 20 tons of frozen product per 24-hours. This will include an additional Booster Compressor in the engine room with necessary automatic controls of the ammonia system \$25,000

At Plant No. 18 for repairs to floor and extension of loading dock 10,000

Total \$50,000

The proposed note will be unsecured, will be issued to American Trust Company and will be payable in monthly installments of \$833.34 commencing June 1, 1960, with interest at the rate of 6 per cent per annum.

Applicant's financial statements which are attached to the application show that during 1959 its operating revenue amounted to \$2,070,904 and its net income amounted to \$36,111. The statements indicate the company's financial condition as of December 31, 1959 as follows:

<u>Assets</u>		
Current assets -		
Cash	\$ 49,540	
Accounts receivable	363,128	
Inventories	239	
Prepaid expenses	28,630	
Special deposits	1,000	
Total current assets	<u>442,537</u>	
Less - current liabilities	<u>240,644</u>	
Net current assets		\$201,893
Fixed assets, less depreciation		<u>510,008</u>
Total		<u><u>\$711,901</u></u>
 <u>Liabilities and Net Worth</u> 		
Long-term debt		\$103,000
Common stock and surplus		<u>608,901</u>
Total		<u><u>\$711,901</u></u>

From a review of the application it appears to us that applicant's assets and earnings should be ample to support the proposed borrowing and we are of the opinion, therefore, and so find, 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 specified herein, that such purpose

is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that the application should be granted by an ex parte order; therefore,

IT IS HEREBY ORDERED as follows:

1. Union Ice & Storage Company, after the effective date hereof and on or before June 30, 1960, may issue a note in the principal amount of not to exceed \$50,000 for the purpose set forth in this application, which note shall be in, or substantially in, the same form as the note set forth in Exhibit B, attached to the application.

2. Union Ice & Storage Company 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 Union Ice & Storage Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California,
this 22nd day of March, 1960.

[Signature]
President

[Signature]

[Signature]

[Signature]

Theodore Jensen
Commissioners Commission
STATE OF CALIFORNIA

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MAR 23 1960
By