

ORIGINAL

Decision No. 60210

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of RHODES WAREHOUSE AND
SUPPLY COMPANY, a co-partnership
composed of DOUGLAS V. HENSLEY and
JOHN B. MINATTA, to issue a \$112,000.00
note.

Application No. 42248

O P I N I O N

On May 13, 1960, the above-entitled application was filed with the Commission for an order authorizing Douglas V. Hensley and John B. Minatta, co-partners doing business at Tracy as Rhodes Warehouse and Supply Company, to issue a \$112,000 note.

It is set forth in the application that the \$112,000 will be loaned to the two partners, that they, in turn, will loan \$56,000 of the amount to Haley Aircraft Sales, Inc., on terms similar to the note referred to in this application, and that they will loan the remaining \$56,000 to Frank W. Haley who, in his turn, will loan said \$56,000 to Haley Aircraft Sales, Inc. Applicants own 50 per cent of the outstanding stock of Haley Aircraft Sales, Inc., and Frank W. Haley owns the balance.

Under the provisions of Section 817 of the Public Utilities Code, a public utility may issue notes for certain specific purposes and for no other purposes. We have considered this application and we are of the opinion, and so find, that the

proposed note issue is not for a purpose specified in the Public Utilities Code and that we have no authority under the code to enter an order permitting applicants to issue a note, or otherwise to obligate themselves, for the benefit of a separate corporation under the terms here proposed. Accordingly, we will enter our order denying the application. A public hearing is not necessary.

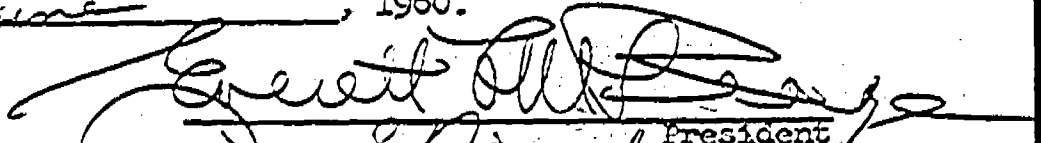
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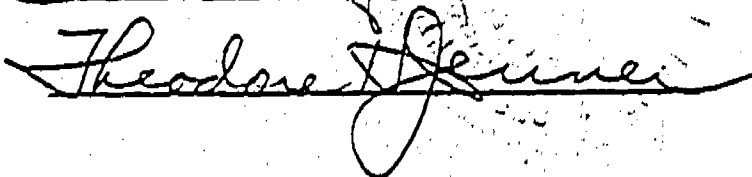
The Commission having considered the above-entitled matter and being fully advised in the premises,

IT IS HEREBY ORDERED that Application No. 42248 of Douglas V. Hensley and John B. Minatta, co-partners doing business as Rhodes Warehouse and Supply Company, be, and it hereby is, denied.

This order will become effective 20 days after the date hereof.

Dated at San Francisco, California, this 6th day of June, 1960.



President


Commissioners