

ORIGINAL

66-199

Decision No. _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of REYNOLD C. PRIDMORE and ELISA C. PRIDMORE, (WESTLEY WAREHOUSE) to issue a \$30,000.00 Note and Deed of Trust and Chattel Mortgage in security therefor.

Application No. 46005
Filed December 4, 1963

O P I N I O N

Reynold C. Pridmore and Elisa C. Pridmore, applicants herein, operate the Westley Warehouse in Stanislaus County. In this application, they seek authority from the Commission to execute a mortgage of chattels and a deed of trust, and to issue a note in the principal amount of \$30,000.

Pursuant to Decision No. 60272, dated June 20, 1960, in Application No. 42211, applicants issued a \$30,000 note payable in annual installments of \$5,000, together with interest on unpaid principal at the rate of 6-1/2% per annum. Applicants report that the presently outstanding balance owing on said note is \$10,000.

The application shows that the new note will be in favor of Wells Fargo Bank and will provide for the payment of \$30,000 in six annual installments of \$5,000 each, together with interest on unpaid principal at the rate of 6% per annum. Payment of such note will be secured by a deed of trust and a mortgage of chattels. Applicants propose to use \$10,000 of the note proceeds for paying said existing \$10,000 indebtedness, to expend \$7,439 of the

remaining proceeds for the purpose of purchasing additional storage bins to be used in their warehouse and to supplement their working capital with the remaining \$12,561.

It appears that (1) applicants will be able to refinance their existing long-term indebtedness at a lower interest rate; (2) the purchase of additional storage bins will aid applicants in maintaining their storage facilities and will increase the efficiency of their operations; and (3) applicants have need for additional working capital because of reduced income for the 1962-63 crop year resulting from a reduction in their gross business during such period.

The Commission has considered this application and is of the opinion, and finds, that (1) the proposed indebtedness is for proper purposes; (2) the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purposes specified herein; and (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary. Based upon these findings, we conclude that the application should be granted.

O R D E R

IT IS ORDERED that:

1. Reynold C. Pridmore and Elisa C. Pridmore, on or after the effective date hereof and on or before March 31,

1964, for the purposes specified in this proceeding, may execute a mortgage of chattels and a deed of trust, and may issue a note in the principal amount of not to exceed \$30,000, which documents shall be in the same form, or in substantially the same form, as those attached to the application.

2. Reynold C. Pridmore and Elisa C. Pridmore 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. This order shall become effective when Reynold C. Pridmore and Elisa C. Pridmore have paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California,
this 17th day of DECEMBER, 1963.

William W. Bennett
President
Arthur E. Stoddell
Charles W. King
George G. Grover
Frederic B. Hallock
Commissioners

