

ORIGINAL

Decision No. 66516

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of MERCHANTS REFRIGERATING COMPANY
OF CALIFORNIA for an order
authorizing execution of
promissory note.

Application No. 46003
Filed December 4, 1963

O P I N I O N

This is an application for an order of the Commission authorizing Merchants Refrigerating Company of California, a California corporation, applicant herein, to issue a \$584,000 note in favor of its parent, Merchants Refrigerating Company, a New York corporation, for the purpose of refinancing the outstanding \$584,000 balance owing on a similar note in favor of Massachusetts Mutual Life Insurance Company.

Applicant operates as a public utility warehouseman at Modesto, Santa Clara and Salinas. The 4.05% note proposed to be refinanced was issued pursuant to authority granted by Decision No. 49134, dated September 29, 1953, in Application No. 34737, as supplemented by Decision No. 60054, dated May 9, 1960, in Application No. 42170. The new note will provide for payment of the principal amount of \$584,000 in semi-annual installments of \$36,000 to June 1, 1971, together with interest at the rate of 4.05% per annum on unpaid balances, and will be subject to the same terms and conditions as to prepayment as apply to the outstanding note which it will refinance.

The Commission has considered this application and is of the opinion, and finds, that (1) the proposed indebtedness is for a proper purpose; (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 purpose specified herein; and (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. A public hearing is not necessary.

Based upon the foregoing findings, we conclude that the application should be granted.

O R D E R

IT IS ORDERED that:

1. Merchants Refrigerating Company of California, a corporation, on or after the date hereof and on or before March 31, 1964, for the purpose specified in this proceeding, may issue a note in the principal amount of not to exceed \$584,000, which note shall be in the same form, or in substantially the same form, as that attached to the application as Exhibit B.

2. Within thirty days after issuing the note herein authorized, Merchants Refrigerating Company of California, a corporation, shall file with the Commission a copy thereof as actually issued.

3. This order shall become effective on the date hereof.

Dated at San Francisco, California,
this 27th day of DECEMBER, 1963.

William W. Bennett
President

Charles W. [unclear]

George T. Trover

Fredrick B. H. [unclear]

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.