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Decision No. _____

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PACIFIC INTERNATIONAL RICE MILLS, INC.
to mortgage and otherwise encumber
certain of its property.

} Application No. 46105
} Filed January 16, 1964

O P I N I O N

This is an application for an order of the Commission authorizing Pacific International Rice Mills, Inc., applicant herein, to issue a \$1,800,000 note and to execute a deed of trust, a mortgage of chattels and an assignment of rents.

Applicant is a California corporation operating to a minor extent as a public utility warehouseman in portions of Fresno, Tehama and Yolo counties. It is engaged primarily in nonutility activities relating to rice. For the fiscal year ended June 30, 1963, the corporation reports operating revenues of \$166,252 from public utility warehouse operations as compared with operating revenues of \$15,767,805 derived from nonutility operations.

For the purposes of refinancing outstanding indebtedness aggregating approximately \$658,000 represented by loans made to applicant pursuant to authorizations previously granted by this Commission, and of obtaining approximately \$1,142,000

of funds for financing, in part, additions to its facilities located at Woodland, Yolo County, applicant proposes to issue a note in the principal amount of \$1,800,000 in favor of State Mutual Life Assurance Company of America, with principal and interest at the rate of 6-1/2% per annum payable in monthly installments of \$15,103.35 for a ten-year period, at the conclusion of which any unpaid balance will become due and payable. The note will contain prepayment privileges and payment thereof will be secured by a deed of trust, a mortgage of chattels and an assignment of rents, all applicable to property in Yolo County.

Applicant reports that additional facilities to be financed from a portion of the proposed \$1,800,000 loan include a 70 ft. by 70 ft. three-story building and basement, a reinforced concrete rice milling plant, nine 20 ft. diameter by 88 ft. concrete storage elevator bins with four interstice bins, an 80 ft. by 220 ft. reinforced concrete and steel storage warehouse, and a spur track with attendant structures.

The Commission has considered this matter and finds that: (1) applicant's resources and operations are sufficient to service the proposed borrowing without interference with its public utility warehouse obligations; (2) the proposed indebtedness is for proper purposes; (3) 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 (4) such purposes are not, in whole or in part,

reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

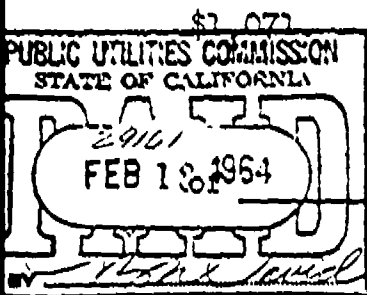
O R D E R

IT IS ORDERED that:

1. Pacific International Rice Mills, Inc., on or after the effective date hereof and on or before May 31, 1964, for the purposes specified in this proceeding, may issue a note in the principal amount of not to exceed \$1,800,000, and may execute a deed of trust, a mortgage of chattels and an assignment of rents, all in the same form, or in substantially the same form, as those attached to the application.

2. Pacific International Rice Mills, Inc. 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 Pacific International Rice Mills, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is



Dated at San Francisco, California, this 11th day
FEBRUARY, 1964.

Commissioner William M. Bennett, being necessarily absent, did not participate in the disposition of this proceeding.

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

George H. Traver President
Frederic B. Holbrook

Commissioners