

ORIGINAL

Decision No. 67208

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of The WESTSIDE WAREHOUSE COMPANY,
a corporation, for an order
authorizing it to borrow
\$170,000.00 from the Crocker-
Citizens National Bank and to
encumber real property.

Application No. 46595
Filed April 28, 1964

O P I N I O N

This is an application for an order of the Commission authorizing Westside Warehouse Company to issue a \$170,000 note and to execute a deed of trust.

Applicant is a California corporation engaged in the business of drying and storing rice in the vicinity of Willows, Glenn County, pursuant to a prescriptive operative right determined by the Commission in Case No. 6697 on August 1, 1960. Said right authorizes the operation of 7,500 square feet of storage or warehouse floor space, exclusive of the expansion permissible under Section 1051 of the Public Utilities Code. For the eight months ended February 29, 1964, its reported gross income and net profit before depreciation amounted to \$121,570 and \$62,327, respectively.

The company asserts that its existing storage and drying facilities are outmoded and insufficient to meet present and future demands of rice growers and producers in the area. In order to improve the situation, it plans to construct additional storage units totaling 12,800 square feet of floor space, and to reduce the expenses of its rice drying operations by utilizing natural gas in place of liquefied petroleum gas. The change in form of fuel will necessitate the installation of a natural gas pipeline.

Applicant proposes to issue an installment note in favor of Crocker-Citizens National Bank in the principal amount of \$170,000 for the purposes of financing part of the cost of said improvements and refunding outstanding debt in the amount of \$40,000. Principal on the proposed note will be repayable in equal annual installments of \$17,000 each, and interest will be payable semi-annually at the rate of 5-3/4% per annum. A deed of trust will secure the indebtedness to be evidenced by the note. Copies of the form of note and deed of trust are attached to the application.

The Commission has considered this matter and finds that: (1) the proposed note issue 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. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

ORDER

IT IS ORDERED that:

1. Westside Warehouse Company, on or after the effective date hereof and on or before August 31, 1964, may execute a deed of trust and may issue a note in the principal amount of not to exceed \$170,000, in the form, under the terms and for the purposes set forth in this application.

2. Westside Warehouse Company shall file with the Commission a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Westside Warehouse Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$170.

Dated at San Francisco, California, this 19th day of May, 1964.

William L. Brown
President

George J. Hoover
Commissioner

Frederick B. Holluff
Commissioner

Frederick B. Holluff
Commissioners

