

ORIGINAL

Decision No. 70663

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of)
)
HI AND DRY WAREHOUSE, INC.,)
 a corporation,)
)
 for authority to borrow money)
 on promissory note.)
 _____)

Application No. 48420
Filed April 21, 1966

O P I N I O N

Hi and Dry Warehouse, Inc. is a California corporation operating as a public utility warehouseman with its principal place of business located at Sutter, Sutter County. In this proceeding the company seeks authority to execute a Deed of Trust and a Security Agreement, and to issue a promissory note in the principal amount of \$260,000.

Pursuant to authority previously granted by this Commission, applicant issued three notes in the aggregate principal amount of \$395,000. The application shows that the presently outstanding unpaid balances of said notes total \$260,000, and that their combined annual installments amount to \$49,500 plus interest, all payable to Crocker-Citizens National Bank. In order to reduce substantially the size of the annual payments, the company proposes to issue a \$260,000 note in favor of Wells Fargo Bank, and to use the proceeds for paying the outstanding aggregate unpaid balance of said three notes.

The proposed \$260,000 note will provide for the repayment of a portion of the principal in four equal successive annual installments of \$26,000 each, together with interest computed at the rate of 6-1/2% per annum on the unpaid balances. Said note will be issued under and pursuant to a letter agreement requiring collateral security consisting, in part, of a Deed of Trust and a Security Agreement.

The Commission has considered this matter and finds that: (1) the proposed note issue 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; (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; and (4) the proposed Deed of Trust and Security Agreement will not be adverse to the public interest.

On the basis of the foregoing findings, we conclude that the application should be granted. A public hearing is not necessary. The authority herein granted is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Hi and Dry Warehouse, Inc., on or after the date hereof and on or before September 30, 1966, for the purpose specified in this proceeding, may issue a note in the principal amount of not to exceed \$260,000 under and pursuant to a letter agreement, and may execute a Deed of Trust and a Security Agreement, which documents shall be in the same form, or in substantially the same form, as those attached to the application.

2. Hi and Dry Warehouse, Inc. shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 10th day of MAY, 1966.

Frederick B. Halliday
President

George H. Hoover

Augustus

William W. Bennett
Commissioners

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