

**ORIGINAL**

Decision No. 72234

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of ECKHART SEED COMPANY, a )  
corporation, for order )  
authorizing the borrowing of )  
money and execution of promissory )  
note therefor and deed of trust )  
securing the same. )

Application No. 49213  
Filed March 16, 1967

O P I N I O N

This is an application for an order of the Commission authorizing Eckhart Seed Company to execute a Deed of Trust and to issue an \$85,000 note.

Applicant is a California corporation engaged in the public utility warehouse business and other activities, including a seed business, in Monterey County. For the year ended December 31, 1966, applicant reports total revenues of \$1,465,249, including \$62,164 derived from commercial storage, and a net income of \$34,098 from all its operations.

The application shows that the company plans to replace two of its warehouse buildings with a new structure in order to increase storage capacity and to effect economies of operation. It appears that the new building will cover an area of 30,000 square feet, or 6,000 square feet more than the old facilities.

To finance the improvement, applicant proposes to borrow \$85,000 from Wells Fargo Bank and to issue a promissory note, secured by a Deed of Trust, as evidence of such borrowing. The note will be repayable in equal monthly installments of \$987 each, including interest at the rate of 7% per annum.

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 execution of the proposed Deed of Trust will not be adverse to the public interest. A public hearing is not necessary.

On the basis of the foregoing findings we conclude that the application should be granted. The authorization 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. Eckhart Seed Company, on or after the effective date hereof and on or before July 31, 1967, for the purpose specified in this proceeding, may execute a Deed of Trust and may issue a

promissory note in the principal amount of not to exceed \$85,000. Said documents shall be in the same form, or in substantially the same form, as Exhibit B and Exhibit C attached to the application.

2. Eckhart Seed Company 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. This order shall become effective when Eckhart Seed Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$85.

Dated at San Francisco, California, this 4th day of APRIL, 1967.

*Robert E. Mitchell*  
President

*William W. Bennett*

*Augusta*

*William Francis Jr.*

*And P. Monsey*  
Commissioners

