

ORIGINAL

Decision No. 74109

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
)
 of)
)
 TERHEL FARMS DRIER & STORAGE CO.,)
 a corporation,)
)
 for an order authorizing it to)
 borrow money and execute its)
 promissory note to Colusa-Glenn)
 Production Credit Association)
 and to secure the same by a)
 Deed of Trust upon property)
 owned by Applicant.)

Application No. 50219
Filed May 8, 1968

O P I N I O N

In this application Terhel Farms Drier & Storage Co. requests authorization from the Commission to execute a Deed of Trust and to issue a \$110,825 note.

Applicant is a California corporation engaged in the business of drying barley, wheat, rice and other grains, and operating a public utility warehouse in Colusa County. The company's balance sheet dated February 29, 1968, attached to the application as Exhibit B, discloses total assets of \$278,863 offset by current liabilities and stockholders' equity of \$60,763 and \$218,100, respectively.

Applicant proposes to issue a \$110,825 note in favor of Colusa-Glenn Production Credit Association, repayable with an initial installment of \$15,845, and six subsequent annual payments of \$15,830, plus accrued interest at the rate of 6-3/4% per annum in each instance.

The application shows that the proceeds from the proposed note will be used as follows:

Construction of an 8,000 sq. ft. storage facility with underground aeration and conveyor systems	\$ 94,000
Improvement and extension of truck scale	3,000
Construction of additional record storage facilities	3,000
Purchase of stock of Colusa-Glenn Production Credit Association (prerequisite for obtaining loan)	5,545
Contribution to equity reserve of Colusa-Glenn Production Credit Association (refundable)	<u>5,280</u>
Total	<u>\$110,825</u>

After consideration the Commission finds that: (1) the proposed note 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; (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; and (4) the

proposed Deed of Trust will not be adverse to the public interest. 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. On or after the effective date hereof and on or before August 31, 1968, for the purposes specified in this proceeding, Terhel Farms Drier & Storage Co. may execute a Deed of Trust and may issue a 6-3/4% note in the principal amount of not exceeding \$110,825, repayable as set forth in the application. Said documents shall be in the same form, or in substantially the same form, as those attached to the application as Exhibits D and C, respectively, together with the property description set forth in Exhibit A.

2. Terhel Farms Drier & Storage Co. 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 Terhel Farms Drier & Storage Co. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$111.

Dated at San Francisco, California,
this 14th day of MAY, 1968.

John E. Hatchell
President

William H. Bennett

Augusta

William Lyons, Jr.

Shed P. Monsey
Commissioners

