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Decision No. . 81292

ORIGINAL
STATE OF CALIFORNIA

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of

RED LINE WAREHOUSES, INC.

for authority to issue a
Promissory Note.

Application No. 53925
(Filed March 27, 1973)

O P I N I O N

Red Line Warehouses, Inc. seeks authority to issue a note in the principal amount of \$18,987 in exchange for 11 shares of its capital stock.

Applicant is a California corporation operating as a public utility warehouseman in the City of San Jose. For the year 1971 it reports operating revenues and net income of \$133,145 and \$3,850, respectively. The company's balance sheet as of December 31, 1971, a copy of which is attached to the application as Exhibit A, shows total assets of \$65,052, offset by common stock equity, long-term debt and other liabilities in the respective amounts of \$36,889, \$21,969 and \$6,194.

The application shows that N. J. Radunich owned all of the 25 outstanding shares of \$100 par value capital stock of the corporation, and that, by an Interlocutory Judgment of Dissolution of Marriage, Marian Radunich was awarded 11 of said shares, valued at \$18,987. The company proposes to reacquire and retire said 11 shares held by Marian Radunich in exchange for an \$18,987 note repayable in monthly installments of \$170.66 or more including interest at the rate of 7% per annum.

After consideration the Commission finds that:

(1) the proposed note 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; and (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary. 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. Red Line Warehouses, Inc., on or after the effective date hereof and on or before July 31, 1973, for the purpose specified in the application, may issue a note in the principal amount of not exceeding \$18,987. Except as to dates, the note shall be in substantially the same form as Exhibit C attached to the application.

2. Red Line Warehouses, Inc. shall file with the Commission the report required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

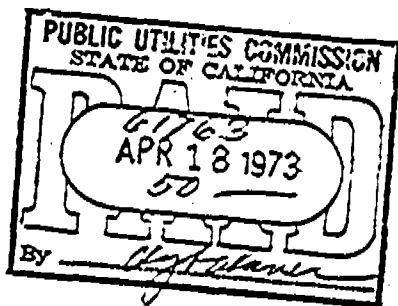
3. This order shall become effective when Red Line Warehouses, Inc. has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California,
this 17th day of 1 APRIL, 1973.

Vernon L. Stenger
President

William Sproun J.

[Signature]
[Signature]
Commissioners



Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.