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Decision No. 89290 AUG 22 1978

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
TARKE WAREHOUSE, INC., a California)	
corporation, for an order authorizing)	Application No. 58167
the refinancing of short term debts)	(Filed June 23, 1978)
and the issuance of a promissory note)	
secured by a deed of trust on real)	
property payable more than 12 months)	
after the date thereof.)	

O P I N I O N

In this application Tarke Warehouse, Inc. requests authority to issue a promissory note in the principal amount of \$120,000 and to execute a deed of trust as security for the note.

Tarke Warehouse, Inc. is a California corporation engaged in sales activities and related public utility warehousing in Sutter County. During the fiscal year ending July 31, 1977 only about 4% of the applicant's gross revenues were derived from public utility warehouse operations. As of July 31, 1977, the company reported total assets of \$329,244, current liabilities of \$109,624 and equity of \$219,620.

The company proposes to borrow \$120,000 from Feather River State Bank for the purpose of refinancing an existing short-term note of \$60,000 and to provide an additional \$60,000 in working capital. The proceeds of the note to be refinanced were used for the construction of two bean storage tanks and certain improvements to existing plant.

The borrowing would be evidenced by a promissory note repayable over a period of five years and bearing interest at the rate of prime plus 1-1/2 percent. The note would be secured by a Deed of Trust and Assignment of Rents, a copy of which is attached to the application as Exhibit B.

After consideration the Commission finds that:

1. The proposed note is for a proper purpose.
2. The proposed Deed of Trust would not be adverse to the public interest.
3. The money, property, or labor to be procured or paid for by the issuance of the note herein authorized is reasonably required for the purposes specified herein, which purposes are 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. Tarke Warehouse, Inc., may execute and deliver a Deed of Trust and Assignment of Rents in substantially the same form as that attached to the application.
2. Tarke Warehouse, Inc., may issue a promissory note in the principal amount not exceeding \$120,000 in substantially the same form as that attached to the application.
3. Tarke Warehouse, Inc. shall apply the proceeds from the issuance of said note to the purposes referred to in the application.
4. Tarke 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.

5. This order shall become effective when Tarke Warehouse, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$240.

Dated at San Francisco, California, this 27th day of AUGUST, 1978.

Robert Bateman
 President
William S. Jones, Jr.
Vernon L. Sturgeon

Commissioners

Commissioner Richard D. Cravollo, being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Claire T. Dodrick, being necessarily absent, did not participate in the disposition of this proceeding.

PUBLIC UTILITIES COMMISSION
 STATE OF CALIFORNIA

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By [Signature]