

Decision No. 23976

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA.

ORIGINAL

In the Matter of the Application of
THE CALIFORNIA TRANSPORTATION COM-
PANY, a corporation, and SACRAMENTO
& SAN JOAQUIN RIVER LINES, INC., a
corporation, for authority (1) to
issue note and (2) to execute mort-
gage upon vessel.

Application No. 23976

BY THE COMMISSION:

O P I N I O N

The California Transportation Company and Sacramento & San Joaquin River Lines, Inc. ask permission to issue a joint note for the sum of \$30,000 payable in monthly installments of \$1,000 each, with interest at the rate of six per cent per annum, and to secure the payment of such note by the execution of a preferred mortgage upon the vessel MODOC. A copy of the proposed note is on file in this proceeding as Exhibit "C" and a copy of the proposed preferred mortgage as Exhibit "D."

The California Transportation Company and Sacramento & San Joaquin River Lines, Inc., hereinafter some times referred to as applicants, are engaged in the transportation of freight under the name and style of The River Lines, between points on the San Francisco Bay and points on the Sacramento and San Joaquin rivers and their tributaries.

Because of an increase in business, applicants have found it necessary to acquire from the Dravo Corporation, at a cost of \$70,000, a vessel called MODOC. The vessel has a net tonnage of 575 and will be used by applicants to transport bulk liquid petroleum products. To pay part of the cost of the vessel applicants borrowed from The Anglo California National Bank of San Francisco \$37,500.00. They have paid \$7,500 on said loan leaving a balance of \$30,000 due and payable. Applicants ask permission to refund this balance through the issue of their joint note for the sum of \$30,000, with interest at the rate of six per cent per annum, payable monthly. The principal of the note is payable in thirty monthly installments of \$1,000 each, beginning March 15, 1941. Payment of the note will be secured by the execution of a first preferred mortgage on the vessel MODOC.

O R D E R

The Commission having considered applicants' requests and it being of the opinion that this is not a matter on which a hearing is necessary, that the money, property, or labor to be procured or paid for by applicants through the issue of said \$30,000 note are reasonably required for the purpose herein indicated, that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application should be granted subject to the provisions of this order, therefore

IT IS HEREBY ORDERED as follows:

1. The California Transportation Company and Sacramento

& San Joaquin River Lines, Inc. may, after the effective date hereof and on or before April 30, 1941, issue to The Anglo California National Bank of San Francisco a joint promissory note for the sum of \$30,000 for the purpose of paying \$30,000 of indebtedness incurred to acquire the vessel MODOC, said note to be substantially in the same form as the note filed in this proceeding as Exhibit "C."

2. The California Transportation Company and Sacramento & San Joaquin River Lines, Inc. may, after the effective date hereof and on or before April 30, 1941, execute a preferred mortgage in substantially the same form as the preferred mortgage filed in this proceeding as Exhibit "D," provided, that the authority herein granted to execute said preferred mortgage is for the purpose of this proceeding only and is granted only insofar as the Commission has jurisdiction under the terms of the Public Utilities Act, and is not intended as an approval of said preferred mortgage as to such other legal requirements to which said preferred mortgage may be subject.

3. The authority herein granted will become effective when applicants have paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Thirty (\$30.00) Dollars.

4. Applicants shall file with the Railroad Commission a copy of the note and a copy of the preferred mortgage executed under the authority herein granted, within thirty(30) days after the execution of said note and preferred mortgage.

Dated at San Francisco, California, this 11th day
of February, 1941.

[Signature]
[Signature]
Wey & Wiley
Justus F. Craven
Francis R. Havenner
Commissioners

\$30.00
RAILROAD COMMISSION
STATE OF CALIFORNIA
PAID
FEB 15 1941
BY [Signature] SECRETARY