

ORIGINAL

Decision No. 46178

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of DELTA LINES, INC., a corporation, :  
for authority to issue a promissory )  
note and execute a chattel mortgage. :  
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Application  
No. 32707

OPINION AND ORDER

Delta Lines, Inc. has filed this application for authority to execute a mortgage of chattels and to issue a note in the principal amount of \$199,645.45 for the purpose of refinancing outstanding indebtedness.

Applicant is a California corporation engaged in the transportation of freight as a highway common carrier principally between San Francisco and Oakland and other points on San Francisco Bay, on the one hand, and Sacramento and Stockton, on the other hand.<sup>(1)</sup> In this application it reports that during the years 1948, 1949, 1950 and 1951, in order to acquire equipment required in its operations, it executed 15 conditional sale contracts and that on August 1, 1951, the aggregate of the balances due on said contracts amounted to \$199,645.45. It reports, further, that now it desires to consolidate these items and to extend the time for maturity and that it has made arrangements to borrow the sum of \$199,645.45 from The Anglo California National Bank of San Francisco for this purpose.

The sum to be thus borrowed will be represented by a note to be payable in 59 equal monthly installments of \$3,327.41 each and a final installment of \$3,328.26 on August 25, 1956, with interest

(1)

Applicant reported, for 1950, operating revenues of \$1,761,954 with net income of \$54,989. It reported at \$720,894 its investment in carrier operating property including 48 trucks, 58 truck tractors and 102 semi-trailers.

at the rate of 5-1/2% per annum on the unpaid principal. The payment of the note will be secured by a mortgage covering applicant's equipment.

The Commission has considered this matter and is of the opinion that a public hearing thereon is not necessary; that the application should be granted, as herein provided; that the money, property or labor to be procured or paid for through the issue of the note herein authorized is reasonably required by applicant for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

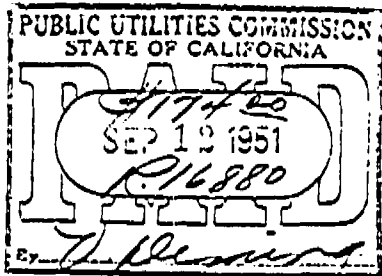
1. Delta Lines, Inc., after the effective date hereof and on or before December 31, 1951, may execute a mortgage of chattels, in substantially the same form as that filed in this proceeding as Exhibit A, and may issue a promissory note in the principal amount of not exceeding \$199,645.45, in substantially the same form as that filed as Exhibit B, for the purpose of refinancing indebtedness of like amount.

2. Delta Lines, Inc. shall file with the Commission monthly reports as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

3. The authority herein granted will become effective when Delta Lines, Inc. has paid the fee prescribed by Section 57 of

the Public Utilities Act.

Dated at San Francisco California, this 11<sup>th</sup>  
day of September, 1951.



R. V. [Signature]  
President

Justus Z. Casper  
Harold H. Potter  
John E. Mitchell  
Commissioners