

ORIGINAL

Decision No. 55260

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
THE HARBOR TUG AND BARGE COMPANY, a  
corporation, for an order authorizing  
execution of evidence of indebtedness  
and encumbrance of public utility  
property.

Application No. 39142

O P I N I O N

The Harbor Tug and Barge Company, applicant herein, is a California corporation engaged in a general launch, barge, tug and tugboat business including service for the transportation of property as a common carrier by water between points on San Francisco, San Pablo and Suisun Bays and their tributaries. In this application it seeks authority to execute a mortgage and to issue a note in the principal amount of \$250,000 to finance, in part, the cost of making additions to its fleet consisting of two new flat barges.

Information on file with the Commission shows that the barges are flat-decked steel cargo vessels, 200 feet long, 36 feet in beam and 11 feet deep, which have been constructed or are being constructed under contract at a cost of \$260,000. It appears that applicant does not have sufficient funds from internal sources to meet the cost of construction and that it has arranged to borrow \$250,000 from Crocker-Anglo National Bank, such borrowing to be represented by a note payable in semiannual installments of \$25,000 each with interest at the rate of 5 per cent per annum.

The company's financial statements as of April 30, 1957, show its net reported investment in tangible assets at \$348,991 with no outstanding liabilities other than current accounts, its financing having been accomplished with equity funds. Its current assets aggregate \$205,148 and its current liabilities \$84,567. For the year ended December 31, 1956, it had revenues of \$1,107,679 and net income of \$74,311 after making deduction for depreciation in the amount of \$96,543.

A review of the application and of the financial statements filed with the Commission shows that applicant will have need for external funds to finance its capital costs and that an order is warranted approving its pending application.

O R D E R

The Commission having considered the above-entitled matter and being of the opinion that a public hearing is not necessary, that 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, and that such purposes, are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. The Harbor Tug and Barge Company may execute a mortgage and issue a note in the principal amount of \$250,000 for the purposes set forth in this application, such mortgage and note to be in, or substantially in, the same form as those set forth in this proceeding.

2. The Harbor Tug and Barge Company shall file with the Commission a report, or 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 The Harbor Tug and Barge Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$250.

Dated at San Francisco, California, this 15<sup>th</sup> day of JULY, 1957.

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President  
*Paul W. ...*  
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*Michael ...*  
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*R. ...*  
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*E. ...*  
Commissioners

