

ORIGINAL

Decision No. 56239

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of YREKA WESTERN
RAILROAD COMPANY to execute
promissory note (Sects 851-853
P.U. Code).

Application No. 39754

OPINION AND ORDER

This is an application for an order of the Commission authorizing Yreka Western Railroad Company to execute a mortgage of chattels and to issue a \$55,250 note to Crocker-Anglo National Bank for the purpose of financing the purchase of a used locomotive.

Applicant proposes to enter into an agreement with Bamberger Railroad Company to purchase for \$65,000 an 800 horsepower, 102 ton diesel locomotive, built in 1952. In order to finance a portion of the purchase price, applicant has made arrangements to borrow \$55,250 from Crocker-Anglo National Bank, the borrowing to be represented by a note payable in monthly installments of \$1,000, together with interest at the rate of 5-1/2% per annum on declining balances, and secured by a mortgage of chattels on the locomotive.

It is reported that applicant has need for the diesel locomotive to replace its outmoded steam locomotive.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, that the money, property or labor to be procured

or paid for by 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,

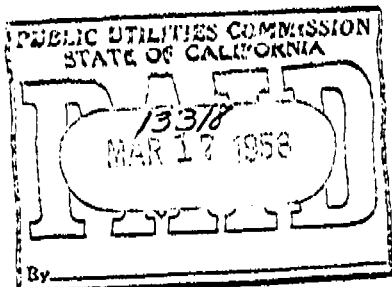
IT IS HEREBY ORDERED as follows:

1. Yreka Western Railroad Company, on and after the effective date hereof and on or before May 31, 1958, may issue a note in the principal amount of not exceeding \$55,250, and may execute a mortgage of chattels, for the purpose set forth in this proceeding, such note and mortgage of chattels to be in, or substantially in, the same form as those attached to the application.

2. Yreka Western Railroad 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 applicant has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$56.

Dated at San Francisco, California, this 18th day of FEBRUARY, 1958.



[Signature]
President
[Signature]
[Signature]
[Signature]
Commissioners