

ORIGINAL

Decision No. 59162

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of

HOWARD TERMINAL, a corporation

for an order authorizing the
borrowing of money and the
mortgaging and pledging of
property as security.

Application No. 41540

OPINION AND ORDER

Howard Terminal, a corporation, has filed this application for authorization to execute a deed of trust and to issue a note in the principal amount of \$259,900.

Applicant is engaged in business in Oakland as a public utility warehouseman and wharfinger. In 1956, pursuant to authorization granted by Decision No. 53533, it executed a deed of trust and issued a promissory note in the principal amount of \$287,000 for the purpose of paying indebtedness, of providing working capital and of financing the cost of property. At this time, applicant reports that it has reduced the indebtedness to \$159,900 and that it desires to replenish its working capital by borrowing an additional \$100,000. It therefore proposes to issue a new note for \$259,900 to take up the existing note and to provide for the additional borrowing.

The new note will be secured by a deed of trust, by a general pledge and collection agreement, by an assignment of applicant's interests as lessee and licensee in its agreement with the Port of Oakland, and by a mortgage of chattels covering its machinery, tools and equipment. It will be payable over a period of ten years with interest at the rate of not exceeding 5-1/2 per cent per annum.

The Commission has considered this matter and is 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, except as otherwise authorized, are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Howard Terminal, a corporation, may execute a deed of trust, a mortgage of chattels, a general pledge and collection agreement and an assignment of its interests as lessee and licensee in its agreement with the Port of Oakland, and may issue its promissory note in the principal amount of not to exceed \$259,900, payable over a period of ten years with interest at the rate of not to exceed 5-1/2 per cent per annum, for the purpose of replenishing its working capital, of paying indebtedness and of financing the cost of capital improvements.

2. Howard Terminal 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 Howard Terminal has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$100.

Dated at San Francisco, California,
this 20th day of October, 1959.

[Signature] President
[Signature]
[Signature]
Theodore J. Jenner Commissioners

