

ORIGINAL

Decision No. 71426

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)	
of CONTRA COSTA TERMINALS, INC.)	Application No. 48796
for authorization to execute)	Filed September 19, 1966
evidence of indebtedness with:)	
CROCKER CITIZENS NATIONAL BANK)	

O P I N I O N

This is an application for an order of the Commission authorizing Contra Costa Terminals, Inc. to execute a Deed of Trust and to issue a note, or notes, in the aggregate principal amount of not to exceed \$79,998.49 for the purpose of replacing similar documents previously executed and issued, through inadvertence, without Commission authority.

Applicant is a California corporation engaged in business as a public utility warehouseman in the City of Concord. For the year 1965, it reported operating revenues of \$35,700 and net income of \$2,897. The balance sheet, attached to the application, shows the company's net investment in fixed assets as \$149,201, and that total assets of \$191,429 were offset by current liabilities of \$11,743, long-term debt of \$83,206 and equity of \$96,480.

The application indicates that previously the company issued two long-term promissory notes in favor of Crocker-Citizens National Bank in the aggregate principal amount of \$92,000, and that the notes were secured by a

Deed of Trust and were repayable in aggregate monthly installments of \$810, including interest at the rate of 6% per annum on unpaid principal. The application shows that the proceeds were applied toward the construction of additional buildings.

Applicant advises that, through inadvertence, it failed to apply for timely consent to the transactions in accordance with the requirements of Sections 818 and 851 of the Public Utilities Code and, in this proceeding, it seeks an order of the Commission authorizing it to issue a note, or notes, in the aggregate principal amount of not to exceed \$79,998.49 and to execute a Deed of Trust.

The Commission has considered this matter and finds that: (1) the two notes, in the aggregate principal amount of \$92,000, and related Deed of Trust were issued and executed for proper purposes prior to receiving authorization to do so from the Commission; (2) Sections 825 and 851 of the Public Utilities Code declare void any long-term note or other evidence of indebtedness of a public utility or any encumbrance of utility property made without approval of the Commission; (3) the proposed documents will not be adverse to the public interest; (4) the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required for the purpose specified herein; and (5) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that applicant should be granted

authority to issue a new note, or notes, and to execute a new Deed of Trust. A public hearing is not necessary.

O R D E R

IT IS ORDERED that:

1. Contra Costa Terminals, Inc., on or after the effective date hereof and on or before December 31, 1966, may issue its new 6% note, or notes, in favor of Crocker-Citizens National Bank in the aggregate principal amount of not to exceed \$79,998.49 and may execute a new Deed of Trust, said new note, or notes, and new Deed of Trust to be issued and executed in the place and stead of the instruments presently outstanding which were issued and executed without authorization from the Commission.

2. Contra Costa Terminals, Inc. shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Contra Costa Terminals, Inc. has paid the fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$80.

Dated at San Francisco, California, this 18th day of OCTOBER, 1966.

[Signature]
President

George E. Hoover

Fredrick B. Hulbert

[Signature]

William W. Bennett
Commissioners

