

ORIGINAL

Decision No. 73956

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of E. A. BEERS and)
 WILLIAM G. MINNIS, partners,)
 doing business as BEERS & MINNIS,)
 for an order (1) authorizing them)
 to refund promissory notes issued)
 in purchasing vessels and)
 equipment and (2) determining)
 whether applicants have complied)
 with this Commission's Decision)
 No. 73495 on Application)
 No. 49814.)

Application No. 50071
 Filed March 5, 1968

O P I N I O N

In this application E. A. Beers and William G. Minnis, doing business as Beers & Minnis, request authorization from the Commission to issue notes for the refunding of long-term notes in an aggregate principal amount of not exceeding \$325,000.

Applicants are partners operating as a carrier by water of property between points on San Francisco, Suisun and San Pablo Bays and on the Sacramento and San Joaquin Rivers and their tributaries.

The application shows that a sum of \$325,000 has been borrowed from Crocker-Citizens National Bank, evidenced by seven notes maturing January 15, 1973, six of which are secured by separate preferred mortgages and the seventh by a security agreement. The application indicates that the notes are repayable in sixty equal monthly installments plus interest at the rate of 1-1/2% above the bank's prime commercial rate

(initially 7-1/2% per annum) in effect from time to time as previously authorized by the Commission.

For the purpose of refunding the outstanding balances of said notes pursuant to arrangements negotiated with the bank, applicants propose to issue new notes. According to the application the terms of the initial refunding notes will be identical with the existing notes, except for the substitution of a 7-1/2% per annum interest rate. Any refunding notes subsequently issued at a lower interest rate would mature not later than January 15, 1973. No penalty would be incurred for refunding notes by taking advantage of any lessening of prevailing rates of interest.

The Commission has considered this matter and finds that: (1) the proposed notes are for a proper purpose; (2) 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 (3) 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 the application should be granted. A public hearing is not necessary.

The authorization herein granted is for the purpose of this proceeding only and is not to be construed as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. E. A. Beers and William G. Minnis, for the purpose set forth in the application, may issue notes in the aggregate principal amount of not exceeding \$325,000 and notes in renewal or successive renewals thereof. The notes shall bear interest at a rate of not exceeding 7-1/2% per annum, shall include provisions consistent with the application and shall mature not later than January 15, 1973.

2. Within thirty days after the issue of each note under the authorization herein granted, E. A. Beers and William G. Minnis shall file with the Commission a copy of such note as actually issued, which filings shall be in lieu of reports required by General Order No. 24-B.

3. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 9th day of APRIL, 1968.

Robert E. Pettibell
President

William G. Minnis

Augustine

William Synovis

Paul P. Morrissey
Commissioners