

ORIGINAL

Decision No. 77660

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
)	
ASSOCIATED FREIGHT LINES, a California)	Application No. 52108
corporation, for authority to execute)	Filed August 6, 1970
a security agreement as security for a)	
loan from the United California Bank.)	

O P I N I O N

Associated Freight Lines seeks an order of the Commission authorizing it to execute and deliver a Security Agreement encumbering certificates of public convenience and necessity.

Applicant is a California corporation transporting general commodities, with limited exceptions, as a highway common carrier operating between points in California extending from Willits to San Diego. In addition, the carrier conducts operations under permits issued by this Commission, and is subject to the jurisdiction of the Interstate Commerce Commission. For the year 1969, the company reports gross operating revenues and net income of \$6,270,005 and \$89,077, respectively.

Pursuant to authority granted by Decision No. 74779, dated October 8, 1968, in Application No. 50551, applicant, among other things, issued an \$850,000 note in favor of United California Bank, and executed and delivered a Security Agreement encumbering certificates of public convenience and necessity.

The carrier has applied to the Interstate Commerce Commission for authority to issue a new \$850,000 note, which would replace the

corresponding note previously authorized by this Commission. As partial security for the indebtedness to be represented by said new note, applicant proposes to enter into a Security Agreement encumbering the following:

- "(a) All rights represented by Certificate of Public Convenience and Necessity granted to Debtor in Decision Nos. 61332 and 61506 as amended by 61562 and transferred by 71399 by the Public Utilities Commission of the State of California.
- "(b) All rights represented by Certificate of Public Convenience and Necessity issued to Debtor by the Interstate Commerce Commission, under Docket No. MC 57254 and all subnumbers thereunder, including subnumber 11."

After consideration the Commission finds that the proposed Security Agreement would not be adverse to the public interest. On the basis of this finding we conclude that the application should be granted. A public hearing is not necessary.

O R D E R

IT IS ORDERED that Associated Freight Lines may execute and deliver a Security Agreement in the same form, or in substantially

the same form, as that attached to the application as Exhibit C to Item 3(c) of Exhibit 1.

The effective date of this order is the date hereof.

Dated at San Francisco, California, this 25th day of AUGUST, 1970.

M. L. ... Chairman

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William ...

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... Commissioners