

ORIGINAL

Decision No. 79789

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)

ALCO TRANSPORTATION CO.)

a corporation, for authority to)
issue promissory note and to)
execute and deliver deed of)
trust, pursuant to Sections)
816-330 and 851-853 of the)
California Public Utilities)
Code.)

Application No. 53163
Filed February 18, 1972

O P I N I O N

Alco Transportation Co. seeks an order of the Commission authorizing it to issue a \$71,000 note and to execute and deliver a Deed of Trust.

Applicant is a California corporation operating primarily as a highway common carrier of general commodities in portions of southern California. For the year 1970 it reports operating revenues and net income of \$1,264,568 and \$30,021, respectively. The carrier's balance sheet at November 30, 1971, as reported in Appendix 4, attached to the application, is summarized as follows:

<u>Assets</u>	
Current assets	\$166,747
Net carrier operating property	463,526
Other assets	<u>10,369</u>
Total	<u>\$640,642</u>
<u>Liabilities</u>	
Current liabilities	\$ 88,065
Long-term obligations, including	
current portions	254,966
Other liabilities	47,077
Common stock equity	<u>250,534</u>
Total	<u>\$640,642</u>

Pursuant to the provisions of a Lease and Option, a copy of which is attached to the application as Appendix 1, the company proposes to purchase real property in the City of Montebello on which it owns terminal improvements. The purchase price is \$100,000, of which amount \$29,000 would be payable in cash and the balance of \$71,000 would be evidenced by a promissory note repayable in monthly principal payments of \$710 or more beginning January 1, 1973, plus monthly interest payments at the rate of 7% per annum beginning April 1, 1972. The note would be secured by a proposed Deed of Trust.

After consideration the Commission finds that:

1. The proposed Deed of Trust would not be adverse to the public interest.
2. The proposed note issue is for a proper purpose.
3. The money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

On the basis of the foregoing findings we conclude that the application should be granted. A public hearing is not necessary.

O R D E R

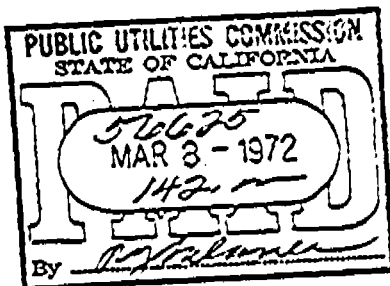
IT IS ORDERED that:

1. Alco Transportation Co., on or after the effective date hereof and on or before June 30, 1972, for the purpose set forth in the application, may execute and deliver a Deed of Trust and may issue a promissory note in the principal amount of not exceeding \$71,000, which documents shall be in substantially the same forms as those attached to the application.

2. Alco Transportation Co. shall file with the Commission the report 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 Alco Transportation Co. has paid the fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$142.

Dated at San Francisco, California, this
7th day of MARCH, 1972.



[Signature] Chairman
William Synovis - J.
[Signature]
[Signature]
[Signature] Commissioners