

Decision No. 82504**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
 of EAGLE TRUCK LINES, INC., a)
 corporation, for authority to)
 issue Promissory Notes and)
 execute a Credit Agreement and)
 Security Agreement, pursuant to)
 Sections 816 and 851 of the)
 California Public Utilities Code.)

Application No. 54597
 (Filed January 24, 1974)

O P I N I O N

Eagle Truck Lines, Inc. seeks authority, in accordance with a Credit Agreement, to execute Security Agreements and to issue Promissory Notes in a total amount of not exceeding \$780,000 at any one time outstanding.

Applicant is a California corporation operating as a highway common carrier of general commodities in various portions of California. Operations are also conducted under permits issued by this Commission and under Interstate Commerce Commission authority. For the six months ended June 30, 1973, it reports operating revenues and net income in the respective amounts of \$1,346,366 and \$37,095.

The company proposes to enter into a Credit Agreement with Bank of America National Trust and Savings Association for the borrowing and reborrowing of not exceeding \$780,000 at any one time outstanding. The initial borrowing would be in the approximate amount of \$500,000 representing unpaid balances on present equipment, and subsequent borrowings would be available for the purchase of additional new equipment. Each borrowing would be evidenced by a new note which would include the unpaid balance of any existing note plus the amount of the new borrowing.

The indebtedness would be repayable in monthly installments of \$13,000, or more, plus interest at the rate of 1-1/2% per annum above the bank's prime commercial rate, and would be secured by Security Agreements covering equipment now owned or hereafter acquired by applicant.

After consideration the Commission finds that:

1. The proposed documents would not be adverse to the public interest.
2. The proposed notes would be for proper purposes.
3. The money, property or labor to be procured or paid for by the notes herein authorized is reasonably required for the purposes specified herein, which purposes are 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. For the purposes set forth in this proceeding, Eagle Truck Lines, Inc., in accordance with a Credit Agreement, may issue Promissory Notes in a total amount of not exceeding \$780,000 at any one time outstanding, which documents shall be in substantially the same forms as those attached to the application.
2. As required by said Credit Agreement, Eagle Truck Lines, Inc. may execute and deliver Security Agreements in substantially the same form as that attached to the application.
3. Eagle Truck Lines, Inc. shall file with the Commission the reports required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

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4. This order shall become effective when Eagle Truck Lines, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$1,560.

Dated at San Francisco, California, this 20th day of FEBRUARY, 1974.

Vernon L. Sturgeon
President
William Lyons Jr.
L. Williams
[Signature]
[Signature]
Commissioners

