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ORIGINAL

Decision No. 82867

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)

RIVER LINES COMPANY, a corporation)

for an Order Authorizing it to)
Issue Two Promissory Notes and to)
Consolidate one of these Notes)
with an Existing Promissory Note.)

Application No. 54824
(Filed April 24, 1974)

O P I N I O N

River Lines Company seeks authority to execute and deliver two Preferred Mortgages and two Security Agreements, and to issue notes in the principal amounts of \$516,600 and \$400,000.

Applicant is a California corporation operating as a carrier by water between points on the San Francisco, Suisun and San Pablo Bays, and on the Sacramento and San Joaquin Rivers and their tributaries. For the year 1973 it reports income before and after taxes thereon in the respective amounts of \$124,284 and \$65,120.

In order to refinance the outstanding balance of a previously authorized note, and to provide \$120,000 for the purchase of a bulk petroleum barge, the company proposes to issue a note in favor of Crocker National Bank in the principal amount of not exceeding \$516,600. The note would be repayable in monthly installments of \$7,175 plus interest at the rate of one-half of one percent over the bank's prime rate at all times,

and would be secured by an existing Preferred Mortgage and a Security Agreement, and by a proposed Preferred Mortgage and a Security Agreement on the barge to be purchased.

The company proposes to issue another note to Crocker National Bank in the principal amount of not exceeding \$400,000 for the purchase of a new twin screw diesel powered towboat to be constructed. The note would be repayable in monthly installments of not exceeding \$4,750 plus interest at the rate of one-half of one percent over the bank's prime rate at all times, and would be secured by a proposed Preferred Mortgage and a Security Agreement.

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. The action taken herein shall not 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:

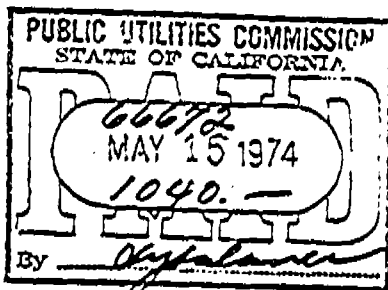
1. River Lines Company, on or after the effective date hereof and on or before April 30, 1975, for the purposes specified in this proceeding, may execute and deliver Preferred

Mortgages and Security Agreements encumbering the properties referred to in the application, and may issue notes in the principal amounts of not exceeding \$516,600 and \$400,000. The documents shall be in substantially the same forms as those attached to the application, with terms consistent with those set forth in the foregoing opinion.

2. River Lines Company 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.

3. This order shall become effective when River Lines Company has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$1,040.

Dated at San Francisco, California, this 15th
day of MAY, 1974.



William J. Sturgeon President
[Signature]
[Signature]
[Signature] Commissioners

Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.