

**ORIGINAL**Decision No. 83438

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

|                                       |   |                         |
|---------------------------------------|---|-------------------------|
| In the Matter of the Application of   | ) |                         |
| ALCO TRANSPORTATION CO.               | ) | Application No. 55123   |
|                                       | ) | (Filed August 19, 1974) |
|                                       | ) | and Amendment           |
| a corporation, for authority to issue | ) | (Filed August 26, 1974) |
| registered and negotiable notes.      | ) |                         |

O P I N I O N

Alco Transportation Co. seeks authority to issue promissory notes in the aggregate principal amount of \$150,000.

Applicant is a California corporation operating as a highway common carrier in portions of southern California. Operations are also conducted under permits issued by this Commission and under Interstate Commerce Commission authority. For the year 1973 it reports operating revenues and net income in the respective amounts of \$1,865,845 and \$21,655.

In order to obtain funds to reimburse its treasury for capital expenditures, the company proposes to issue to its majority shareholder unsecured negotiable promissory notes aggregating \$150,000 in denominations of not less than \$5,000. The notes would mature in five years and would bear interest, payable quarterly, at the rate of 8% per annum. Upon reimbursement of its treasury, applicant proposes to retire a portion of its short-term indebtedness.

After consideration the Commission finds that: (1) the proposed notes would be for a proper purpose; (2) the money, property or labor to be procured or paid for by 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 the foregoing findings we conclude that the application, as amended, 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 December 31, 1974, for the purpose of reimbursing its treasury for capital expenditures, may issue promissory notes in the aggregate principal amount of not exceeding \$150,000, which notes shall be in substantially the same form as Exhibit A, attached to the application, with five-year maturities and 0% annual interest rates.


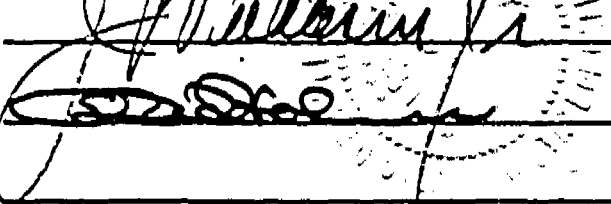
2. Alco Transportation Co. shall file with the Commission the report required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

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 \$300.

Dated at San Francisco, California, this 11th day of September, 1974.

Commissioner William Symons, Jr., being necessarily absent, did not participate in the disposition of this proceeding.

Commissioner Thomas Moran, being necessarily absent, did not participate in the disposition of this proceeding.

  
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President  
  
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Commissioners

Commissioners

