

LAM

Decision No. 83694

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of)

DITTO FREIGHT LINES)

for authority to issue a)
\$44,289 promissory note and)
to execute a business loan)
agreement and a security)
agreement.)

Application No. 55243
(Filed October 11, 1974)

O P I N I O N

Ditto Freight Lines seeks authority to execute and deliver a Business Loan Agreement and a Security Agreement, and to issue a promissory note in the principal amount of \$44,289.

Applicant is a California corporation operating as a highway common carrier of general and certain specified commodities in portions of California. Operations are also conducted under permits issued by this Commission and under Interstate Commerce Commission authority. At June 30, 1974, it reports total assets of \$131,302, offset by current liabilities, long-term debt and common stock equity in the respective amounts of \$46,796, \$45,600 and \$38,906.

In order to obtain funds to retire a previously authorized note, the company proposes to enter into a Business Loan Agreement with Bank of America National Trust and Savings Association for the borrowing of \$44,289. The

borrowing would be evidenced by a promissory note repayable in monthly installments of \$2,109 plus interest at the rate of 10.23% per annum, and would be secured by a proposed Security Agreement covering all of applicant's highway common carrier operative rights.

After consideration the Commission finds that:

1. The proposed documents would not be adverse to the public interest.
2. The proposed note would be for a proper purpose.
3. The money, property or labor to be procured or paid for by 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. Ditto Freight Lines, on or after the date hereof and on or before March 31, 1975, for the purpose set forth in the application, may execute and deliver a Business Loan Agreement and a Security Agreement, and may issue a promissory note in the principal amount of not exceeding \$44,289, which documents shall be in substantially the same forms as those attached to the application.

2. Ditto Freight Lines 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. The effective date of this order is the date hereof.

Dated at San Francisco, California, this 16th day of November, 1974.

Vernon L. Stinson
President
William J. ...
[Signature]
Robert E. Merland
Commissioners

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