

ORIGINAL

Decision No 40225

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of WESTERN TRUCK LINES, LTD., for
authority to execute a Note and
Chattel Mortgage.

}
} Application
} No. 28363

OPINION AND ORDER

Western Truck Lines, Ltd., has applied to the Public Utilities Commission for an order authorizing it to execute a note and chattel mortgage for the sum of \$349,843.46 for the purpose of paying indebtedness and of financing the cost of equipment.

The application shows that Western Truck Lines, Ltd. is engaged as a highway common carrier in the operation of motor vehicles for the transportation of property in California and also in interstate commerce. It appears that heretofore, in order to acquire trucks, tractors and trailers it has executed equipment obligations in the principal amount of \$434,478.40 secured by pledge of 118 units of equipment and that of the original principal amount there remains an outstanding balance of \$310,023.24 payable in monthly installments of \$20,749.01.

The company now reports that it has arranged to purchase ten additional units of property, as set forth in detail in Exhibit "C" attached to the application, for the sum of \$39,820.22 and that it desires to execute a chattel mortgage and to issue a new note for \$349,843.46 in order to pay the balance of the presently outstanding indebtedness and to provide the cost of new equipment. The proposed note will bear interest at the rate

of 4% per annum and will be repayable in **thirty-six** monthly installments of \$9,717.87, thereby materially reducing the amount of applicant's monthly installments.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary and that the money, property or labor to be procured or paid for through the issue of said note 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, therefore,

IT IS HEREBY ORDERED as follows:

1. Western Truck Lines, Ltd., after the effective date hereof and on or before July 31, 1947, for the purpose of paying outstanding indebtedness and of financing the cost of new equipment, as set forth herein, may execute a note and chattel mortgage in, or substantially in the same form as that filed in this proceeding, said note to be in the principal amount of not exceeding \$349,843.46 payable in thirty-six monthly installments with interest at the rate of 4% per annum.
2. Western Truck Lines, Ltd. shall file with the Commission a report, or reports, of the issue of the note and the disposition of the proceeds as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.
3. The authority herein granted will become effective when Western Truck Lines, Ltd., has paid the fee prescribed by

Section 57 of the Public Utilities Act, which fee is Three Hundred and Fifty (\$350.00) Dollars.

Dated at San Francisco, California, this 29th day of April 1947.

Harold P. Kule
Justin J. Quinn
Frank Russell
A. J. ...
Kenneth Potter

Commissioners

