

**ORIGINAL**

Decision No. 48410

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of	)	
J. CHRISTENSON CO., a Corporation,	:	Application
for Authority to Issue Promissory	)	No. 34164
Notes and Execute Chattel Mortgages.	:	
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OPINION AND ORDER

In this application J. Christenson Co. seeks authorization to execute a mortgage of chattels and to issue its promissory notes in the aggregate principal amount of \$367,000 for the purpose of refinancing outstanding indebtedness.

Applicant is a highway common carrier of property operating generally between Oakland and Manteca, Sacramento, Fresno, San Jose and other points in the Sacramento and San Joaquin valleys and in northern California.<sup>1/</sup> According to its financial statement as of December 31, 1952, it had invested \$571,072.15 in its properties and equipment, after deducting its depreciation reserve, and it had financed its capital costs in part through the execution of equipment obligations, now in the principal amount of approximately \$367,000, in part through the investment of equity funds in the amount of \$151,340, and in part with current liabilities.

Applicant now desires to fund its outstanding equipment obligations through the issue of two notes to Bank of America National Trust and Savings Association, one in the principal amount

<sup>1/</sup> For the year 1952 applicant reports revenues of \$1,217,402.27 and net profit of \$15,401.18, after making provision of \$103,297.13 for depreciation.

of \$160,000 to be payable in monthly installments of approximately \$2,650 over a period of 60 months, and the other in the principal amount of \$207,000 to be payable in 36 monthly installments of \$5,750 each, plus interest at the rate of 6% per annum on the declining balances. The Commission is informed that the refinancing of the equipment obligations, as here proposed, will reduce applicant's payments by about \$5,000 a month during this year.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary; that the application should be granted, as herein provided; that the money, property or labor to be procured or paid for by the issue of the promissory notes herein authorized is reasonably required by applicant for the purpose specified herein; and that such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. J. Christenson Co., on and after the effective date hereof and on or before September 30, 1953, may execute a mortgage of chattels and issue two notes, one in the principal amount of \$160,000 and the other in the principal amount of \$207,000, for the purpose of refinancing outstanding equipment obligations, such mortgage of chattels and notes to be in, or substantially in, the same form as those filed in this proceeding as Exhibit C.

2. J. Christenson Co. shall file with the Commission monthly reports 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 J. Christenson Co. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$367.00.

Dated at San Francisco, California, this 30<sup>th</sup> day of March, 1953.

*[Signature]*  
President

*[Signature]*  
*[Signature]*

*[Signature]*

Commissioners

Commissioner.....Kenneth Potter..... being necessarily absent, did not participate in the disposition of this proceeding.

