

ORIGINALDecision No. 48782

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SPECIAL SERVICE TRANSPORTATION COR-
PORATION, LTD., for authority to
encumber its property and to issue
evidence of indebtedness.

)
:
) Application
:
) No. 34457
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)
:

OPINION AND ORDER

Special Service Transportation Corporation, Ltd., applicant herein, is a highway common carrier, radial highway common carrier, and highway contract carrier, engaged principally in the transportation of motion picture films in portions of Kern, Los Angeles and San Bernardino counties. In this application it seeks authorization to execute a deed of trust and to issue to The Anglo California National Bank of San Francisco a promissory note in the principal amount of \$13,600, payable in monthly installments of \$260 which include interest at the rate of 6% per annum on unpaid principal.

In Exhibit F, applicant reports for the first five months of 1953 revenues of \$30,112.86, expenses of \$27,124.12, and a net profit of \$2,988.74. Exhibit G shows applicant's balance sheet at May 31, 1953, which is summarized as follows:

Assets

Current assets	\$12,556.75
Property and investments	22,392.56
Prepayments	<u>1,114.69</u>
Total	<u>\$36,064.00</u>

Liabilities and Capital

Liabilities	\$16,641.83
Capital stock	10,000.00
Earned surplus	<u>9,422.17</u>
Total	<u>\$36,064.00</u>

Applicant proposes to expend \$8,347.70 of the note proceeds to repair extensive damage to its main building caused by the earthquake in August of 1952 and to use the remaining \$5,252.30 to pay in full its indebtedness to Jefferson Mutual Life Insurance Company. The application shows that this latter obligation was incurred on March 15, 1948, in the original sum of \$10,500, bearing interest at the rate of 5% per annum and payable in quarterly installments of \$262.50 plus interest, and was incurred without authority of the Commission for the reason that applicant's officers were then unaware that such authority is required by the Public Utilities Code. It appears that the note was issued without any intent to evade the authority of the Commission.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that applicant will have need for the proceeds from the issue of the note, that the money, property or labor to be procured or paid for by the issue of said note is reasonably required by applicant for the purposes specified herein, and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. Special Service Transportation Corporation, Ltd., on and after the effective date hereof and on or before September 30, 1953, may issue a promissory note in the principal amount of \$13,600 for the purposes indicated herein and may execute a deed of trust to secure the payment of the same, which note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding as Exhibit B and Exhibit C, respectively.

2. Applicant 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 applicant has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.00.

Dated at San Francisco, California, this 7th day of July, 1953.

R. J. [Signature]
President.

Harold P. Hule

[Signature]

Commissioners

