

Decision No. 49621

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
ACME TRANSPORTATION, INC., a cor-	:	
poration, for authority to execute)	Application
a chattel mortgage and instalment	:	No. 35050
note.)	
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OPINION AND ORDER

Acme Transportation, Inc., applicant herein, is a California corporation engaged in business as a highway common carrier and a petroleum irregular route carrier within the state. In this application it seeks authorization to execute a mortgage of chattels and to issue a note to Bank of America National Trust and Savings Association in the principal amount of \$15,199.91.

In a financial statement filed in this proceeding applicant reports its net investment in tangible property in the amount of \$438,667.15 and its outstanding equipment and other long-term obligations in the amount of \$280,519.54, which include two conditional sales contracts originally in the amount of \$56,047.27 but since reduced to \$15,199.91.^{1/} Applicant desires to refinance this indebtedness and has made arrangements to borrow the sum of \$15,199.91 from the bank for this purpose.

The present conditional sales contracts bear interest at the rate of 6% per annum and are payable in monthly installments aggregating \$1,167.65. The monthly payments to be made under the proposed borrowing will consist of a first installment of \$316.89 plus 47 equal successive monthly installments of \$316.66, plus interest at the rate

^{1/} It appears that these contracts were executed under authorization granted by Decision No. 45209, dated January 3, 1951, in Application No. 31993.

of 6% per annum on the unpaid balances.

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 note 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. Acme Transportation, Inc. may execute a mortgage of chattels and an installment note in the principal amount of not exceeding \$15,199.91, in substantially the same form as the document filed in this proceeding as Exhibit A, for the purpose of refinancing outstanding indebtedness.
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 upon the date hereof.

Dated at San Francisco, California, this 2nd day of February, 1954.

[Signature]
President

[Signature]

[Signature]
[Signature]

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Commissioners