

ORIGINAL

Decision No. 49731

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)
PETROLEUM TANK LINE)

for Authorization to Issue a Prom-)
issory Note, a Chattel Mortgage,)
and a Deed of Trust.)
-----)

Application
No. 35141

OPINION AND ORDER

Petroleum Tank Line, applicant herein, is a highway common carrier of property and a petroleum irregular route carrier operating in California. In this application it seeks authorization to issue a note in the amount of \$61,889.73 and to execute a deed of trust and a mortgage of chattels for the purpose of refinancing outstanding indebtedness and of providing working capital.

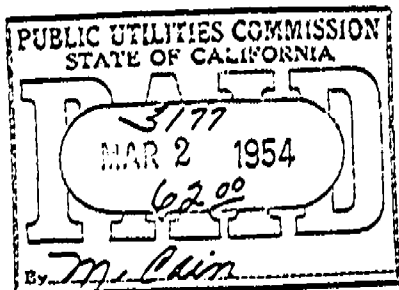
The application shows that as of September 30, 1953, applicant's current assets amounted to \$85,877.81, its current liabilities to \$98,397.63 and its long-term liabilities to \$68,311.42. The application further shows that applicant has made arrangements to borrow additional sums from American Trust Company for the purpose of refinancing \$37,305.31 of the outstanding notes and conditional sales contracts and of providing additional working capital to liquidate outstanding accounts payable. The borrowing is to be represented by a note in the amount of \$61,889.73 which includes the principal sum of \$57,305.31 and carrying charges, computed at 4% per annum, of \$4,584.42. The note will be payable in 23 monthly installments of \$2,580 and one final installment of \$2,549.73.

A review of the application indicates that through the execution of the new loan and the consolidation of the outstanding indebtedness applicant will reduce its monthly payments by \$2,370 and thereby will improve its cash position. We are of the opinion that a public hearing is not necessary in this matter, 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 purposes specified herein, which purposes, except as otherwise authorized, are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that the application should be granted, as herein provided; therefore,

IT IS HEREBY ORDERED as follows:

1. Petroleum Tank Line, on and after the effective date hereof and on or before April 30, 1954, may issue a note in the face amount of not exceeding \$61,889.73 and may execute a mortgage of chattels and a deed of trust for the purposes set forth in this proceeding. The note, mortgage of chattels and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding.
2. Petroleum Tank Line shall file with the Commission a report, or 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 fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$62.00.

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



[Signature]
President
[Signature]
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Commissioners