

ORIGINAL

Decision No. 50750

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
TED PETERS TRUCKING COMPANY, INC.,	:	Application
a Corporation, for Authority to)	No. 35886
Issue Promissory Note and Execute	:	
Chattel Mortgage.)	
-----	:	

O P I N I O N

This is an application for an order of the Commission authorizing Ted Peters Trucking Company, Inc. to execute a mortgage of chattels and to issue a note in the amount of \$106,304.

Applicant is a highway common carrier of property operating generally between San Francisco and Gustine, Sacramento and Gustine, and peninsula points and Gustine. It reports that in the conduct of its business it has incurred equipment obligations in the amount of \$85,229.73 and that it now desires to consolidate these obligations and to increase its borrowings to \$106,304, said sum to be represented by a note to Bank of America National Trust and Savings Association payable in 48 equal monthly installments of \$2,214.70, including interest at the rate of 3-1/2% per annum. The proceeds from the note will be applied as follows:

Payment of indebtedness	\$ 85,229.73
Construction of office building at Gustine	8,020.27
Interest included on note	<u>13,054.00</u>
Total	<u>\$106,304.00</u>

It appears that applicant commenced its operations during 1953. In Exhibit B it reports its operating revenues for the period from April 1 to December 31 of that year in the amount of \$489,067 and its net income, before making provision for depreciation, in the

amount of \$34,653. Its depreciation charges were stated at \$36,692. The exhibit shows at the close of the year the reported investment in tangible and intangible assets at \$200,685 and in current and prepaid assets at \$53,150, a total of \$253,835 which had been financed, according to the exhibit, through current liabilities of \$64,295, long-term obligations of \$98,507, and equity capital of \$91,033.

From a review of this application we are of the opinion that a public hearing is not necessary and that applicant should be authorized to execute the mortgage of chattels and to issue the note for the purposes set forth in the proceeding.

O R D E R

The Commission having considered the above entitled matter and being of the opinion 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 purposes specified herein, and that such purposes, except for the payment of interest, are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Ted Peters Trucking Company, Inc. may execute a mortgage of chattels and issue a note in the amount of \$106,304, on or before December 31, 1954, for the purposes set forth in this application, said mortgage of chattels and note to be in, or substantially in, the same form as those filed in this proceeding.

2. Ted Peters Trucking Company, Inc. 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 Ted Peters Trucking Company, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$107.00.

Dated at San Francisco, California, this th 16 day of November, 1954.

John E. Mitchell
President

Justin J. Casper
Deane Duggins
Ralph L. Scherer

Commissioners

