

ORIGINAL

Decision No. 50028

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
ACME TRANSPORTATION, INC.,	:	
a corporation, for authority to)	Application
execute a chattel mortgage and	:	No. 36564
installment note.)	
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OPINION AND ORDER

Acme Transportation, Inc. has filed this application for authorization to execute a mortgage of chattels and to issue a note in the principal amount of \$103,358.38.

Applicant is engaged in the transportation of petroleum and petroleum products in bulk as a highway common carrier and as a petroleum irregular route carrier throughout the State of California.^{1/} Its application shows that it has financed itself in part with borrowed moneys and that it is its intention to consolidate two of its existing items of indebtedness, one a note in the principal amount of \$52,482.38 in favor of Bank of America National Trust and Savings Association and the other a note in the principal amount of \$13,647 in favor of Mechanics Bank of Richmond, and to increase its borrowings by the sum of \$37,229 to pay for new equipment consisting of 5 Beall aluminum truck tanks, 5 Beall aluminum trailers and 1 Beall insulated trailer. The sum of the requirements to pay the existing obligations and to provide the cost of the new facilities is \$103,358.38.

^{1/} For the ten months ended October 30, 1954, applicant reports gross revenues of \$847,948 and net profit after taxes of \$35,068.

It appears that applicant has made arrangements to obtain the required sum from Bank of America National Trust and Savings Association, the same to be represented by a note payable in monthly installments of \$1,722, plus interest at the rate of 6% per annum. The monthly payments presently being made by applicant on the two notes which will be refunded aggregate \$3,772.

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 purposes specified herein, and that such purposes are 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 issue a promissory note in the principal amount of not exceeding \$103,358.38 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 as Exhibit A.

2. Acme Transportation, Inc. 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 Acme Transportation, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$38.00.

Dated at San Francisco, California, this 4th day of JANUARY, 1955.

Peter E. Mitchell
President

Justin F. Casper
Rayle Winters

Commissioners

