

ORIGINAL

Decision No. 53021

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of CHARLES A. PEARSON, doing business as ANAHEIM TRUCK & TRANSFER CO. for authorization to execute evidence of indebtedness.

Application No. 37927

OPINION AND ORDER

This is an application for an order authorizing Charles A. Pearson, doing business as Anaheim Truck & Transfer Co., to execute two deeds of trust and to issue two notes in the aggregate amount of \$97,672.60.

Applicant's operations include those of a highway common carrier between Los Angeles and Artesia and between Los Angeles and Anaheim and Fullerton. For the year 1955, he reports operating revenues of \$1,181,627, of which 91% was derived from intercity common carrier freight, and net income of \$53,452.

Under the authority of Decision No. 47489, dated July 22, 1952, applicant issued a \$65,000 note to Bank of America National Trust and Savings Association. As of July 6, 1955, he executed a deed of trust and issued a \$75,000 note to the same bank, due August 15, 1963, and payable at the rate of \$1,000 a month, including interest of 5% per annum on unpaid balances. Applicant reports that he used \$37,512.99 of the proceeds from the new note to pay the outstanding balance of the \$65,000 note, \$23,919.00 to purchase property for enlarging his terminal area, and \$13,568.01 for construction of a transfer dock, cement brick wall, and black-top covering. In

addition, on August 3, 1955, he executed a deed of trust and issued to Bessie Frey a \$29,500 note, payable at the rate of \$175 a month with interest of 5% per annum on unpaid principal, for additional property adjoining his terminal.

Applicant did not obtain authorization from the Commission to execute the deeds of trust or to issue the \$75,000 note and the \$29,500 note, the unpaid balances of which are reported at \$69,397.60 and \$28,275.00, respectively. Upon being informed of the requirements of the law, applicant proceeded to apply for the necessary authority to execute new documents. It appears that applicant's failure to obtain the necessary prior authorization was through inadvertence and without intent to evade the provisions of the Public Utilities Code.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that applicant had need for the expansion of his facilities, that he should be authorized to execute new deeds of trust and to issue new notes, that the money, property or labor to be procured or paid for by the issue of said notes 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. Charles A. Pearson, on and after the effective date hereof and on or before July 31, 1956, may execute two new deeds of trust and may issue two new notes, one in the amount of not exceeding \$69,397.60 and the other in the amount of not exceeding \$28,275, for

the purposes set forth in this application, which deeds of trust and notes shall be in, or substantially in, the same form as those filed in this proceeding.

2. Within 30 days after the issue of the notes herein authorized Charles A. Pearson shall file with the Commission a copy of each as actually issued.

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 \$61.

Dated at San Francisco, California, this 8th day of May, 1956.

[Signature]
President

Justina J. Cramer

Raymond L. Lintarainen

[Signature]

[Signature]
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
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By Benjamin Tom