

ORIGINAL

Decision No. 53462

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
BATTEATE LIVESTOCK TRANSPORTATION CO.,
a corporation, for authority to
execute a promissory note secured
by deed of trust.

Application No. 38197

OPINION AND ORDER

In this proceeding Batteate Livestock Transportation Co., a corporation, seeks authorization to issue a note in the principal amount of \$29,233.28.

The note will be issued to Bank of America National Trust and Savings Association, will be secured by a presently outstanding deed of trust and will be payable in monthly installments of \$500 with interest at the rate of 5½% per annum on declining balances. It will be issued for the following purposes:

- 1. To pay outstanding 5½% demand note issued in February, 1956, to Bank of America to finance the cost of licensing automotive equipment \$15,000.00
- 2. To pay the balance due on a 5½% note issued to Bank of America on March 17, 1954, under authorization granted by Decision No. 49784, said note being payable in monthly installments of \$500 ... \$14,233.08

Total \$29,233.08

It appears that Bank of America has requested immediate repayment of the \$15,000 note, or, in the alternative, collateral to secure the repayment of the obligation. It has indicated its

willingness, however, to refinance both outstanding notes through the issue of the one new note as proposed. A review of the application indicates that the company does not have sufficient funds on hand to repay the demand obligation.

The Commission has considered the above-entitled matter, and is of the opinion that a public hearing thereon is not necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for through the issue of the note herein authorized is reasonably required by applicant for the purpose specified herein, and that such purpose, except as otherwise authorized with respect to the payment of licenses, is not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Batteate Livestock Transportation Co., after the effective date hereof and on or before October 31, 1956, may issue a promissory note in the principal amount of not exceeding \$29,233.28 in, or substantially in, the same form as the note filed in this proceeding as Exhibit A.
2. Applicant shall use the proceeds to be obtained through the issue of said note to pay outstanding indebtedness to Bank of America National Trust and Savings Association.
3. Applicant shall file with the Commission a copy of the note as actually executed, said filing to be made within 30 days after the date thereof.

4. The authority herein granted will become effective when applicant has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 20th day of July, 1956.

[Signature] President
[Signature]
[Signature]
[Signature] Commissioners

