

ORIGINAL

Decision No. 52729

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of SPECIAL SERVICE TRANSPORTATION CORPORATION, LTD., for the authority to encumber its property and to issue evidence of indebtedness.

Application No. 38881

OPINION AND ORDER

Special Service Transportation Corporation, Ltd., has filed this application for authorization to execute a deed of trust and to issue a note in the principal amount of \$12,500.

Applicant is engaged in business as a highway common carrier of motion picture films and related commodities in the southern part of the state and as a highway contract carrier and radial highway common carrier. It reports that, as of December 31, 1956, it had invested \$36,385 in its assets, after deducting reserves for depreciation, and that it had financed itself, in part, with indebtedness of \$4,336.73 representing bank borrowings and with indebtedness of \$5,307.65 owing on equipment purchase contracts.

It appears that applicant now desires to refinance these outstanding liabilities of \$9,644.38 and to increase its bank borrowings to \$12,500 in order to obtain additional funds to finance improvements to its terminal facilities and to pay for additional rolling stock. Therefore, it has arranged to obtain \$12,500 from the Crocker-Anglo National Bank and in evidence of such borrowing to issue its promissory note payable in equal

successive monthly installments of \$260 with interest at the rate of 6 per cent per annum, payment to be secured by a deed of trust on certain real property in Bakersfield.

It appears that the proposed borrowing will not increase applicant's monthly payments and that, on the basis of past results of operations, the carrier's revenues should suffice to service the note. We are of the opinion 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, that such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that an ex parte order should be entered in this proceeding granting applicant's request; therefore,

IT IS HEREBY ORDERED as follows:

1. Special Service Transportation Corporation, Ltd., may issue a note in the principal amount of \$12,500 and execute a deed of trust to secure the payment of the same for the purposes of refinancing indebtedness and of providing the costs of improvements and additions as set forth in the application. The note and deed of trust shall be in, or substantially in, the same form as those filed in this proceeding as Exhibits A and B, respectively.

2. Special Service Transportation Corporation, Ltd., 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 Special Service Transportation Corporation, Ltd., has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at Los Angeles, California, this 26th day of March, 1957.

[Signature]
President

[Signature]

[Signature]

[Signature]

[Signature]
Commissioners

