

ORIGINAL

Decision No. 56222

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of

PETROLEUM TANK LINE

for Authorization to Issue a Promissory Note and Chattel Mortgage, and a Deed of Trust.

Application No. 39750

OPINION AND ORDER

In this application, Petroleum Tank Line, a corporation, seeks authorization to issue a note in the face amount of \$54,103.68 and to execute a deed of trust and mortgage of chattels to secure its payment.

Applicant is engaged in business as a highway common carrier and as a petroleum irregular route carrier in California. It reports that in the conduct of its business it has incurred indebtedness to American Trust Company in the amount of \$37,096.02 and that it has need for additional borrowing to provide working capital to finance the purchase of parts and inventory and the cost of paving its parking and yard facilities. It proposes to consolidate the existing indebtedness with its proposed borrowing and has made arrangements to obtain from American Trust Company the sum of \$50,096.02 and to issue to it a note in the face amount of \$54,103.68, including in such amount the proposed borrowing plus carrying charges of \$4,007.66 which are calculated at the rate of 4% per annum. The note will be payable in 24 equal monthly installments of \$2,254.32.

A review of the application shows that applicant will have need for external funds for the purposes indicated and that its earnings should be ample to service the proposed note. We are of the opinion that the money, property or labor to be procured or paid for by the issue of such note is reasonably required for the purposes specified herein and that such purposes, except as otherwise authorized, are not, in whole or in part, reasonably chargeable to operating expenses or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. Petroleum Tank Line, a corporation, may execute a deed of trust and a mortgage of chattels and promissory note in the face amount of \$54,103.68 for the purposes set forth in this application, which deed of trust and mortgage of chattels and promissory note shall be in, or substantially in, the same form as those filed in this proceeding.

2. Petroleum Tank Line, a corporation, 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 Petroleum Tank Line has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$55.

Dated at Los Angeles, California, this 10th day of FEBRUARY, 1958.

[Signature]
President
[Signature]
[Signature]
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Commissioners

