

ORIGINAL

Decision No. 56238

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
PENINSULA MOTOR EXPRESS, a California
corporation, for authority to execute
promissory notes and mortgage of chattels.

} Application No. 39794

OPINION AND ORDER

This is an application for an order of the Commission authorizing Peninsula Motor Express, a corporation, to execute a mortgage of chattels and to issue two notes in the aggregate principal amount of \$31,000.

Applicant operates as a highway common carrier of general commodities between points in the San Francisco territory and as a highway common carrier of specific commodities between San Francisco and Fresno, on the one hand, and points on Highways 33 and 99 and certain off-route points located between Sacramento and Bakersfield, on the other hand. In the conduct of its operations it has incurred indebtedness to Pacific National Bank of San Francisco in the amount of \$8,000 and to numerous other creditors in the amount of \$20,000 and it now desires to consolidate these obligations into one new note and also to increase its borrowings by \$3,000 to provide working capital.

Accordingly, applicant has made arrangements to borrow \$31,000 from Pacific National Bank of San Francisco, the borrowing to be represented by two notes, one in the principal amount

of \$28,000 payable in weekly installments of \$250 for 50 weeks and \$15,250 on February 2, 1959, with interest at the rate of 6% per annum, and the other in the amount of \$3,000, payable on or before February 3, 1959, with interest at the rate of 4-1/2% per annum, both notes to be secured by a mortgage of chattels.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the application should be granted, that the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required by applicant 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. Peninsula Motor Express, on and after the effective date hereof and on or before May 31, 1958, may execute a mortgage of chattels and issue two notes in the aggregate principal amount of \$31,000 for the purposes set forth in this application, which mortgage of chattels and notes shall be in, or substantially in, the same form as those filed in this proceeding.

2. Peninsula Motor Express 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 Peninsula Motor Express has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$31.

Dated at San Francisco, California, this 18th day of FEBRUARY, 1958.

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

