

ORIGINAL

Decision No. 57180

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
OILFIELDS TRUCKING COMPANY,
a corporation, for authority to
execute a note and chattel
mortgage.

Application No. 40302

OPINION AND ORDER

This is an application for an order of the Commission authorizing Oilfields Trucking Company, a California corporation, to execute a mortgage of chattels and to issue a note in the principal amount of \$659,845.50.

Applicant is engaged in business as a public utility highway common carrier and petroleum irregular route carrier of liquid petroleum products in bulk. It reports that in the conduct of its operations it has found it necessary to acquire four new trucks and four new trailers at an aggregate cost of approximately \$144,000. It has made arrangements to borrow the necessary funds from Bank of America National Trust and Savings Association to finance the purchase price of such new equipment and, in addition, to refund and consolidate \$460,108.05 of existing indebtedness. The borrowing will be represented by a note for \$659,845.50, which includes the prepaid interest and which will be payable in monthly installments of \$13,746.78. The note will be secured by a mortgage of chattels.

The application shows that the consolidation of all of the contracts and obligations into the one loan will reduce applicant's monthly payments by more than \$2,500.

Recently, applicant amended its Articles of Incorporation so as to provide for replacing its no par value shares by \$1.00 par value shares. Presently, it has outstanding 2,100 shares of its no par value stock which are carried on its balance sheet at \$81,306.65 and which are to be replaced by 81,306 shares of its \$1.00 par value stock.

The Commission has considered this application and is of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issuance of the securities herein authorized is reasonably required for the purposes specified herein, which 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. Oilfields Trucking Company, a corporation, on and after the effective date hereof and on or before December 31, 1958, may, for the purposes specified herein, issue a note in the principal amount of not exceeding \$659,845.50, and may execute a mortgage of chattels, which note and mortgage of chattels shall be in, or substantially in, the same form as those filed in this application as Exhibit B.

2. Oilfields Trucking Company, a corporation, may issue \$1,306 shares of its \$1.00 par value common stock in exchange for the no par value shares of common stock heretofore issued.

3. Oilfields Trucking Company, a corporation, shall file a report, or reports, as required by General Order No. 24-A, which order, insofar as applicable, is made a part of this order.

4. The authority herein granted will become effective when Oilfields Trucking Company, a corporation, has paid the fee prescribed by Section 1904(b) of the Public Utilities Code.

Dated at San Francisco, California, this 19th day of August, 1958.

E. Lynn Fox
President
Walter B. Giddell
Walter B. Giddell
Theodore J. Jenner

Commissioners

