

ORIGINAL

Decision No. 58380

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. 41074

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 \$737,411.60.

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 five new tank trucks, six new trailers, and six new tanks, at an aggregate cost of approximately \$200,000. It has made arrangements to borrow from Bank of America National Trust and Savings Association, the funds necessary to finance the purchase price of such new equipment and, in addition, to refund and consolidate \$533,621.26 of existing indebtedness on which it will receive a credit of \$72,621.26 for discounted interest.

The borrowing will be represented by a 5½% note in the amount of \$737,411.60, which includes \$76,411.60 prepaid interest on the new loan, and will be payable in monthly installments of \$15,363. The indebtedness to be evidenced by such note will be

secured by a mortgage of chattels. It appears that the consolidation of the obligations into the one loan will increase applicant's monthly payments from \$13,746.78 to \$15,363.00, or by only \$1,616.22 for financing \$200,000 of additional equipment.

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 note 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 August 31, 1959, may, for the purposes specified herein, issue a note in the principal amount of not to exceed \$737,411.60, 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 A.

2. Oilfields Trucking Company, 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 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 12th day of May, 1959.

E. Lynn Fox  
President  
W. L. ...  
Matthew ...  
Theodore ...  
Commissioners

