

ORIGINAL

Decision No. 67785

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of BOB W. CLARK, an individual doing business as OILFIELD VACUUM SERVICE, for authority to execute a chattel mortgage and promissory note.

Application No. 46848
Filed July 28, 1964

O P I N I O N

This is an application for an order of the Commission authorizing Bob W. Clark, an individual doing business as Oilfield Vacuum Service, to execute a mortgage of chattels and to issue a promissory note in the principal amount of \$17,024.04.

Applicant, who also does business under the name of Wilco Vacuum Service, is engaged in operating as a petroleum irregular route carrier between points and places within a sixty-mile radius of Taft, Kern County. The financial statements set forth in the 1963 annual report on file with the Commission indicate that as of December 31, 1963, total assets of \$181,132 were offset by equipment obligations of \$38,473, proprietary equity of \$92,957 and current and other liabilities of \$49,702. Reported operating revenues and net income for the year amounted to \$361,787 and \$45,171, respectively.

The application shows that the owner desires to re-finance an outstanding obligation of \$15,000, which presently requires repayment at the rate of \$1,500 per month, including interest at 10% per annum. To accomplish such objective, applicant proposes to issue a promissory note in the principal amount of \$17,024.04, and to apply the net proceeds of \$15,000, which excludes prepaid interest of \$2,024.04, toward refinancing said obligation. The proposed note will be issued in favor of Crocker-Citizens National Bank and will be repayable in thirty-six monthly installments of \$472.89. The proprietor alleges that the lower monthly payments and reduced interest rate will improve his cash position and will enable him to purchase additional equipment to meet the demands of the public.

The Commission has considered this matter and finds that: (1) the proposed note issue is for proper purposes; (2) the money, property or labor to be procured or paid for by the issue of the note herein authorized is reasonably required for the purposes specified herein; and (3) such purposes, except as otherwise authorized for interest, are not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

O R D E R

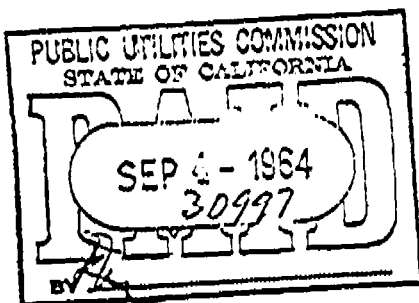
IT IS ORDERED that:

1. Bob W. Clark, on or after the effective date hereof and on or before November 30, 1964, may issue a promissory note in the principal amount of not to exceed \$17,024.04 for the purposes specified in this proceeding, and may execute a mortgage of chattels, which documents shall be in the same form, or in substantially the same form, as those attached to the application.

2. Bob W. Clark shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Bob W. Clark has paid the minimum fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 1ST day of September, 1964.



Frederick B. Helchert
President
George J. Hoover
William A. Bennett

Commissioners

Commissioner Peter E. Mitchell, being necessarily absent, did not participate in the disposition of this proceeding.