

ORIGINAL

Decision No. 69249

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of WILLIG FREIGHT LINES, a)
California corporation, for)
authorization to issue evidence)
of indebtedness in the amount)
of \$500,000.00)
_____)

Application No. 47666
Filed June 15, 1965

O P I N I O N

Willig Freight Lines has filed this application requesting authorization from the Commission to execute a Security Agreement and to issue a note in the principal amount of \$500,000.

Applicant is a California corporation engaged in business as a highway common carrier, petroleum irregular route carrier and public utility warehouseman in California pursuant to authority granted by this Commission. The company also conducts operations under permits issued by this Commission and is subject to the jurisdiction of the Interstate Commerce Commission. Applicant's 1964 annual report shows gross operating revenues of \$4,989,692 and a net income of \$57,079 after deducting \$214,554 for depreciation expense. The balance sheet attached to the application as Exhibit A shows that as of April 30, 1965, the corporation's assets totaled \$1,681,765 and that its long-term obligations amounted to \$811,883.

In this proceeding applicant requests authority to issue a \$500,000 promissory note in favor of Bank of America National Trust and Savings Association. Said note will be secured by a Security Agreement and will be repayable in sixty monthly installments of \$8,333.33, plus interest on decreasing balances of principal at the rate of 6-1/2% per annum. The company proposes to use the proceeds for discharging certain of its existing long-term equipment obligations, including a previously authorized indebtedness having an unpaid balance of \$190,288.77 as of April 30, 1965. Exhibit E, annexed to the application, sets forth a general description of said obligations and indicates that the balance outstanding as of April 30, 1965 totaled \$590,429.85 and that repayments thereon aggregate \$15,343.54 per month.

Applicant asserts that the refinancing contemplated herein will result in a substantial saving in the time-price differential interest currently being paid as compared to the interest on the proposed note.

The Commission has considered this matter and finds that: (1) the proposed note issue is for a proper purpose; (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 purpose specified herein; and (3) such purpose is 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

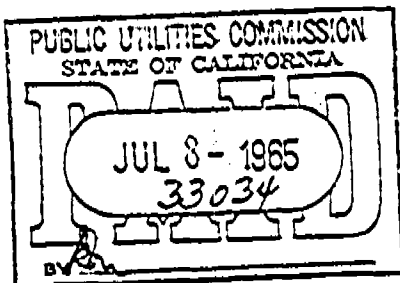
IT IS ORDERED that:

1. Willig Freight Lines, on or after the effective date hereof and on or before October 31, 1965, may execute a Security Agreement and may issue a promissory note in the principal amount of not to exceed \$500,000 for the purpose specified in the application. Said documents shall be in the same form, or in substantially the same form, as those attached to the application.

2. Willig Freight Lines 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 Willig Freight Lines has paid the fee prescribed by Section 1904 (b) of the Public Utilities Code.

Dated at San Francisco, California, this 7th day of JULY, 1965.



Fredrick B. Hallock
President
George T. Crow
Commissioners
William L. Bennett
Commissioners