

ORIGINAL

Decision No. 70897

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of:

OILFIELDS TRUCKING COMPANY, a California corporation, for authority to issue a promissory note and deed of trust incident to the acquisition of new terminal property, pursuant to Sections 816-830 and 851-853 of the Public Utilities Code.

Application No. 48536
Filed June 6, 1966

O P I N I O N

This is an application for an order of the Commission authorizing Oilfields Trucking Company to execute a deed of trust and to issue a promissory note in the principal amount of \$286,000.

Applicant is a California corporation engaged in transporting petroleum and petroleum products, in bulk, within the State. For the year 1965, it reported operating revenues of \$2,842,923 and net income of \$37,576.

The company proposes to purchase 5.7025 acres of land near the City of Torrance for a purchase price of \$199,587.50 and to construct a terminal thereon at a cost of approximately \$245,412.50. In order to finance the transactions, in part, applicant plans to execute a deed of trust and to issue a promissory note in favor of Bank of America National Trust and Savings Association in the principal amount of \$286,000

repayable in monthly installments of \$2,543, which will include principal and interest at 6-1/2% per annum computed on the decreasing balance of principal. The company intends to finance the remainder of the transactions through a short-term unsecured note obligation, which it expects to discharge with proceeds to be derived from the sale of nonoperating property.

Applicant states that the authority requested is necessary to enable it to provide adequate terminal facilities in the Los Angeles area near the major refineries, and to replace inadequate leased facilities.

The Commission has considered this matter and finds that: (1) the proposed note 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; (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income; and (4) the proposed deed of trust will not be adverse to the public interest. On the basis of these findings, we conclude that the application should be granted. A public hearing is not necessary.

ORDER

IT IS ORDERED that:

1. Oilfields Trucking Company, for the purpose specified in this proceeding, may issue a promissory note in the principal amount of not to exceed \$286,000, and may execute a deed of trust, all in the same form, or in substantially the same form, as those attached to the application.

2. Oilfields Trucking Company 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 Oilfields Trucking Company has paid the fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$286.

Dated at San Francisco, California, this 28th day of JUNE, 1966.

Fredrick B. Holcomb
President

W. E. [unclear]

George J. Hoover

Augustan

William L. Bennett
Commissioners

