

**ORIGINAL**

Decision No. 73071

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of )

NIELSEN FREIGHT LINES, )  
a California Corporation, )

for authority to issue )  
promissory notes and encumber )  
utility property )

Application No. 49611  
Filed August 17, 1967

O P I N I O N

Nielsen Freight Lines requests authorization from the Commission to execute a Deed of Trust and a Security Agreement and to issue its promissory notes in an aggregate principal amount of \$399,980.

Applicant is a California corporation engaged in business as a highway common carrier transporting general commodities, with certain exceptions, between various points and places in California. Operations also are conducted as a radial highway common carrier, a highway contract carrier and city carrier under permits issued by this Commission.

The company reports that it has outstanding certain equipment obligations totaling \$212,945.81, including a sum of \$140,890.71 related to liabilities assumed in connection with the acquisition of Callison Truck Lines, Inc. authorized by Decision No. 72181, dated March 21, 1967, in Application No. 48975. In addition, applicant reports a balance of

\$85,439.82 outstanding on its Eureka Terminal for which the original indebtedness of \$150,000 was authorized by Decision No. 62222, dated June 30, 1961, in Application No. 43507.

In order to refinance the foregoing obligations and to obtain in excess of \$100,000 additional funds to be used for working capital, applicant proposes to issue two notes in favor of Bank of America National Trust and Savings Association in principal amounts of \$125,000 and \$274,980, respectively. The \$125,000 note will be repayable in 180 monthly installments of \$1,090 each, including interest at the rate of 6-1/2% per annum, and the indebtedness represented thereby will be secured by a Deed of Trust. The \$274,980 note will be repayable in 48 monthly installments of \$6,552 each, including interest at the rate of 6-3/4% per annum, and the indebtedness represented thereby will be secured by a Security Agreement.

Applicant asserts that the proposed borrowings will not in any way impair its operations but, in fact, will ease the burden and put it on an excellent long-term financial footing which will inure to the benefit of the public as well as to itself.

The Commission has considered this matter and finds that: (1) the proposed notes are for proper purposes; (2) the money, property or labor to be procured or paid for by the issue of the notes herein authorized is reasonably required for the purposes specified herein; (3) such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income; and (4) the proposed Deed of Trust and Security

Agreement 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.

O R D E R

IT IS ORDERED that:

1. Nielsen Freight Lines, on or after the effective date hereof and on or before December 31, 1967, for the purposes specified in this proceeding, may execute and deliver a Deed of Trust and a Security Agreement and may issue notes in the aggregate principal amount of not exceeding \$399,980. Said documents shall be in the same form, or in substantially the same form, as those attached to the application.

2. Nielsen 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 Nielsen Freight Lines has paid the fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$315.

Dated at San Francisco, California,  
this 12<sup>th</sup> day of SEPTEMBER, 1967.

[Signature]  
President

[Signature]  
Attorney

[Signature]

[Signature]  
Commissioners

