

Decision No. 76968

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
 )  
 ACME TRANSPORTATION, INC. )  
 )  
 for authority to issue a promissory )  
 note secured by a Deed of Trust. )  
 \_\_\_\_\_ )

Application No. 51737  
 Filed February 27, 1970

O P I N I O N

Acme Transportation, Inc. seeks an order of the Commission authorizing it to execute a Deed of Trust and to issue a note in the principal amount of \$174,000.

Applicant is a California corporation engaged in transporting petroleum and petroleum products in major portions of the State as a highway common carrier and a petroleum irregular route carrier. In addition, the company operates under the jurisdiction of this Commission as a highway contract carrier and a radial highway common carrier, and operates in the States of California, Nevada and Oregon under the jurisdiction of the Interstate Commerce Commission. For the year 1969, the company reports total operating revenues and net income amounting to \$2,555,511 and \$107,651, respectively.

The carrier proposes to expand and modernize its headquarters office at 2832 Giant Road, San Pablo, California. In this connection, applicant intends to construct a new office building with increased space and an employee parking lot, and to acquire office furnishings and equipment for the building.

The application shows that the company has obtained from The Mechanics Bank of Richmond a commitment for a loan of \$174,000 in order to finance the proposed expansion and modernization. Applicant will add to its working capital the excess funds, if any, to be derived from said loan. The loan is to be evidenced by a promissory note in the principal amount of \$174,000 repayable in 180 monthly installments of \$1,801.10 including interest at the rate of 9-1/4% per annum.

The note will be secured by a Deed of Trust on an approximately 6.70 acre parcel of land located in San Pablo, California. Such parcel is the property which the carrier presently utilizes for its headquarters office and principal terminal, and is the parcel upon which it intends to construct the new office building and employee parking lot.

After consideration the Commission 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, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.
3. The proposed Deed of Trust would not be adverse to the public interest.

On the basis of the foregoing 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. Acme Transportation, Inc., on or after the effective date hereof and on or before June 30, 1970, for the purposes specified in this proceeding, may issue a note in the principal amount of not exceeding \$174,000, and may execute a Deed of Trust. The documents shall be in the same form, or in substantially the same form, as those filed in this proceeding, and shall contain terms and property description consistent with the application.

2. Acme Transportation, Inc. 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 Acme Transportation, Inc. has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$343.

Dated at San Francisco, California,  
this 24th day of MARCH, 1970.

William J. Sweeney, Jr.  
President

[Signature]  
[Signature]  
Vernon L. Sturgeon  
Commissioners

Commissioner A. W. Gatov, being necessarily absent, did not participate in the disposition of this proceeding.

