

ORIGINAL

Decision No. 80489

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of G. I. TRUCKING COMPANY, a)
corporation, for authority to)
issue Promissory Note(s) and)
execute and deliver a Deed of)
Trust pursuant to Sections 816)
et seq., and 851 et seq., of)
the California Public Utilities)
Code.)

Application No. 53521
(Filed August 10, 1972)

O P I N I O N

G. I. Trucking Company seeks authority to issue a promissory note in the principal amount of \$1,300,000 and to execute and deliver a Deed of Trust.

Applicant is a California corporation operating as a highway common carrier of general commodities in portions of southern California. Operations are also conducted under permits issued by this Commission and under Interstate Commerce Commission authority.

For the year 1971, the carrier reports gross operating revenues and net income in the respective amounts of \$7,410,873 and \$95,134. Its reported balance sheet at June 30, 1972 is summarized as follows:

Assets

Current assets	\$ 910,738
Net carrier operating property	3,164,901
Net non-carrier property	1,195,927
Other assets	<u>128,078</u>
Total	<u>\$5,399,644</u>

Liabilities

Current liabilities	\$ 506,315
Long-term debt	3,438,096
Common stock equity	1,224,169
Other liabilities	<u>201,064</u>
Total	<u>\$5,399,644</u>

Applicant proposes to construct an addition to its warehouse building which would be leased to provide additional revenues. The carrier's subsidiary, Commerce Warehouse Company, is a tenant of such building. On August 3, 1972, it filed Application No. 53501 seeking authority to increase its public utility warehouseman floor space by 100,000 square feet. The present application shows that demand for private warehouse space warrants the additional construction regardless of the outcome of said Application No. 53501.

In order to obtain funds for said construction and for repayment of the outstanding balance of the \$914,000 9% note authorized by Decision No. 78843, dated June 22, 1971, in Application No. 51996, the carrier proposes to issue a \$1,300,000 note in favor of Bank of America National Trust and Savings

Association. As of August 31, 1972, the unpaid balance of said \$914,000 note amounts to \$877,109.27. The new note would be repayable in monthly installments of \$12,612 including interest at the rate of 3-1/4% per annum. Such note would be secured by a proposed Deed of Trust.

After consideration the Commission finds that:

1. The proposed Deed of Trust would not be adverse to the public interest.
2. The proposed note is for proper purposes.
3. 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.

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

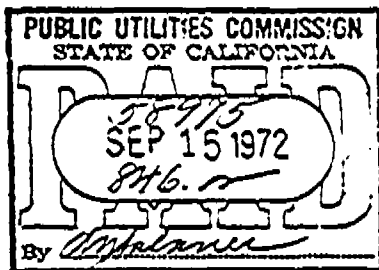
IT IS ORDERED that:

1. G. I. Trucking Company, on or after the effective date hereof and on or before December 31, 1972, for the purposes set forth in the application, may execute and deliver a Deed of Trust and may issue a promissory note in the principal amount of not exceeding \$1,300,000, which documents shall be in substantially the same forms as those attached to the application, with principal amount, interest rate and monthly installments consistent with those set forth in the application.

2. G. I. Trucking Company shall file with the Commission the report 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 G. I. Trucking Company has paid the fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$846.

Dated at San Francisco, California, this 12th day of SEPTEMBER, 1972.



Vernon L. Sturgeon
President
William Symons, Jr.
[Signature]
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Commissioners

Commissioner J. P. Vukasin, Jr., being necessarily absent, did not participate in the disposition of this proceeding.