

ORIGINAL

Decision No. 85224

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application )  
 of )  
 PASEA TRUCKAWAY )  
 for authority to execute and deliver )  
 a guarantee and to issue a \$325,000 )  
 promissory note. )

Application No. 55068  
 (Filed November 14, 1975)

O P I N I O N

Pasha Truckaway seeks authority to execute and deliver a Continuing Guaranty, and to issue an unsecured Promissory Note in the principal amount of \$325,000.

Applicant is a California corporation operating as a highway common carrier of motor vehicles and related commodities between various points in California. It also operates under permits issued by this Commission and under Interstate Commerce Commission authority. For the year 1974, the company reported carrier operating revenues of \$1,315,128.

According to the application, Union Bank will lend \$700,000 to Pasha Industries, Inc. under a Promissory Note dated October 17, 1975. Interest is payable at the rate of 1% in excess of Union Bank's prime rate charged from time to time, and payments of \$25,000 plus interest are due with each installment on the last day of each quarter beginning March 31, 1976. The bank requires Pasha Truckaway, a subsidiary of the borrower, to execute and deliver a Continuing Guaranty pertaining to the \$700,000 loan.

In addition, applicant proposes to issue an unsecured promissory note evidencing a loan of \$325,000 from its parent, Pasha Industries, Inc., which loan would be funded from the said \$700,000 bank loan. The \$325,000 would be repayable in monthly installments of \$11,500 or more plus interest at the rate charged by the bank. The application shows that after discharging an existing equipment loan of \$199,136.20 applicant proposes to use the \$125,863.80 balance to purchase new equipment to meet increasing demands for its services.

After consideration the Commission finds that:

1. The proposed Continuing Guaranty 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 note herein authorized is reasonably required for the purposes specified herein, and such 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. Pasha Truckaway, on or after the effective date hereof and on or before March 31, 1976, for the purposes specified in this proceeding, may execute and deliver a Continuing Guaranty, and may issue a Promissory Note in the principal amount of not exceeding \$325,000, which documents, shall be in substantially the same forms as those attached to the application as Exhibits 2 and 3, respectively.

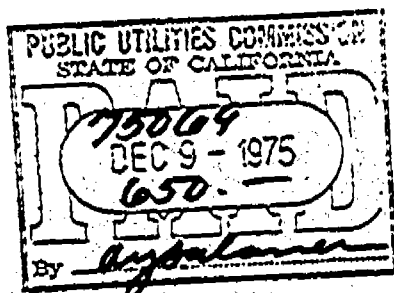
2. Pasha Truckaway shall file with the Commission a report, or reports, as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Pasha Truckaway has paid the fee prescribed by Section 1904(b) of the Public Utilities Code, which fee is \$650.

Dated at San Francisco, California, this 9th day  
of DECEMBER, 1975.

*[Signature]*  
President  
*William Synovis*  
*Vernon J. Sturgeon*  
*[Signature]*

Commissioners



Commissioner Robert Batinevich, being necessarily absent, did not participate in the disposition of this proceeding.