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Decision No. S1016 NOV 6 1979

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of)
 SPEAR ENTERPRISES, INC.)
 For Authority to Issue its Shares)

Application No. 59151
 (Filed September 14, 1979)

O P I N I O N

Spear Enterprises, Inc. (Spear) doing business as United Truck Line (United), requests authority to issue 350 shares of its \$10 par value common stock pursuant to Section 818 of the Public Utilities Code.

Notice of the filing of the application appeared on the Commission's Daily Calendar of September 24, 1979.

United is authorized by Commission Decision No. 81066, dated February 21, 1973, in Application No. 53065, to operate as a certificated highway common carrier (T-70467) and is authorized to operate between points in a broad area in Northern California. United also operates under highway carrier permits granted by this Commission.

United also conducts operations in interstate and foreign commerce pursuant to authority issued by the Interstate Commerce Commission in Docket No. MC 121056.

The annual report to the Commission for the year 1978 indicates that United generated total operating revenues of \$4,034,263 and net operating income of \$7,826. The carrier's financial position as of December 31, 1978, is summarized as follows:

<u>Assets</u>	<u>Amount</u>
Current assets	\$335,501
Carrier operating property less accumulated depreciation	513,217
Other assets and deferred charges	<u>48,692</u>
Total	<u>\$897,410</u>

<u>Liabilities and Net Worth</u>	
Current liabilities	\$467,454
Long-term debt	209,772
Common equity	<u>220,184</u>
Total	<u>\$897,410</u>

United presently has outstanding 3,900 shares of \$10 par value common stock, 90% of which is held by United's president, Glen Spear. After the proposed sale of stock, Glen Spear will hold 80%. United proposes to issue an additional 350 shares for \$58 per share, for an aggregate purchase price of \$20,300.

The application indicates that the proceeds of the sale of stock will be used by United to augment its working capital.

The Revenue Requirements Division has reviewed the application and concludes that United's request is reasonable.

Findings of Fact

1. The proposed transaction would not be adverse to the public interest.
2. The proposed stock issue would be for a proper purpose.
3. There is no known opposition and no reason to delay granting the carrier's request.

4. The money, property or labor to be procured or paid for by the issuance and sale of the stock herein authorized is reasonably required for the purpose specified herein, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income.

Conclusions of Law

1. A public hearing is not necessary.
2. The application should be granted to the extent set forth in the order which follows.

The authorization granted herein is not to be construed as a finding of the value of the carrier's stock or property, nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Spear Enterprises, Inc., doing business as United Truck Line, on or after the effective date hereof and on or before June 30, 1980, may issue 350 shares of its \$10 par value common stock for the purposes stated in the application.
2. Spear Enterprises, Inc., doing business as United Truck Line, shall file with the Commission the 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. The authority granted by this order to issue stock will become effective when Spear Enterprises, Inc., doing business as United Truck Line, has paid the \$50 minimum fee prescribed by

Section 1904.1 of the Public Utilities Code or thirty-days after the effective date hereof, whichever is later.

Dated NOV 6 1979, at San Francisco, California.

John E. Guyon
President
Richard D. Koval
Carl J. Sedgwick
Edward J. ...
Commissioners

PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
DATED
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BY [Signature]