Decision No. 22685

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BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of THE GRAY LINE MOTOR TOURS COMPANY, a corporation, for authority to enter into certain agreements for the purchase of equipment.

Application No. 16706

BY THE COMMISSION:

OPINION AND ORDER

The Gray Line Motor Tours Company, a corporation organized and existing under the laws of the State of California and engaged, among other things, in the operation of a public utility sight-seeing automotive business in the southern part of the state, has applied to the Railroad Commission for permission to enter into a contract for the purchase of automobile equipment.

The applicant reports that for the purpose of improving its service to the public, it will be necessary for it to purchase five Fageol parlor car coaches at a price of \$11,000.00 each, and that it desires to enter into a contract for such purchase, certain payments of which will be made over a period of more than one year.

A copy of the contract is filed with the application as Exhibit "A". It appears that of the total price of \$55,000.00, \$15,000.00 will be paid through an allowance made applicant for five Pierce Arrow coaches now owned by it, leaving a balance of \$40,000.00, of which \$500.00 per coach is/due, and payable upon delivery, and the balance in twenty-four monthly installments.

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It appears to the Railroad Commission that this is not a matter in which a public hearing is necessary, that the application should be granted as herein provided and that the money, property or labor to be procured or paid for through the execution of the agreement is reasonably required for the purpose specified herein, which purpose is not in whole or in part reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that The Gray Line Motor Tours Company be, and it hereby is, authorized to execute and enter into a purchase contract with the Fageol Motor Sales Company, providing for the payment of \$40,000.00, which purchase contract shall be substantially in the same form as that filed with the application as Exhibit "A", for the purpose of acquiring five Fageol parlor car coaches.

The authority herein granted is subject to the following conditions;-

- Applicant shall file with the Commission a verified report, as required by the Railroad Commission's General Order No. 24, which order insofar as applicable, is made a part of this order.
- 2. The authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Forty (\$40.00) Dollars.

DATED at San Francisco, California, this <u>1774</u>, day of July, 1930.

Fee # 28157

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Commissioners.