

Decision No. 27783

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
SANTA FE TRANSPORTATION COMPANY, a
corporation, for authority to issue
\$5,000. of its capital stock, and of
THE ATCHISON, TOPEKA AND SANTA FE
RAILWAY COMPANY, a corporation, for
authority to purchase said \$5,000.
of Santa Fe Transportation Company
capital stock.

ORIGINAL

Application No. 19818

BY THE COMMISSION:

OPINION AND ORDER

Santa Fe Transportation Company, a corporation, has applied to the Railroad Commission for permission to issue and sell to The Atchison, Topeka and Santa Fe Railway Company, at par, 50 shares of its common capital stock of the aggregate par value of \$5,000., to finance in part the cost of equipment to be used in its auto truck operations between Fresno and Porterville and intermediate points.

The company reports that it has entered into contracts for the purchase of certain units of equipment consisting of one International Harvester Company model C-55 tractor for \$2,634.20, one General Motors Truck Company model T-23-B tractor for \$1,597.53, one Scott-Tormey Co. model T-222 California trailmobile, twenty-four feet long with steel weatherproof body, fully equipped, for \$2,347.79, and one Scott-Tormey Co. Model T-32 trailmobile, twenty feet long, with steel weatherproof body, fully equipped, for \$1,669.42. The cost of the four units of equipment is reported at \$8,248.94. It has further advised the Commission that it anticipates the traffic will increase to the extent that an additional trailer will be re-

quired which will cost from \$1,200. to \$1,500., but that this purchase will be deferred until the actual need arises.

In addition to the proceeds to be obtained from the sale of the \$5,000. of stock covered by this application, the company proposes, in order to complete the financing of the equipment, to use proceeds from the sale of stock authorized by Decision No. 27233, dated July 30, 1934. By that decision the Commission permitted the company to issue \$6,000. of stock to provide working capital of \$1,000. and to pay for auto trucks and equipment, of which amount the company heretofore has reported the issue of only \$1,000. to furnish the working funds, leaving \$5,000. available for issue to acquire equipment.

It appears to the Commission that this is not a matter in which a public hearing is necessary, that the application should be granted, as herein provided, that the money, property or labor to be procured or paid for through the issue of the stock is reasonably required by applicant and that the expenditures herein authorized are not, in whole or in part, reasonably chargeable to operating expense or to income, therefore,

IT IS HEREBY ORDERED that Santa Fe Transportation Company be, and it hereby is, authorized to issue and sell to The Atchison, Topeka and Santa Fe Railway Company, at par, on or before June 30, 1935, not exceeding \$5,000. of its common capital stock and to use the proceeds to finance in part the cost of the two tractors and the two trailmobiles referred to herein, provided:-

1. That applicant keep such record of the issue and sale of the stock herein authorized, and of the disposition of the proceeds, as will enable it to file, on or before the 25th day of each month, 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. That all proceeds received from the sale of the \$5,000. of stock not used or necessary for the expenditures authorized herein, be placed in a special account and withdrawn only when and as hereafter authorized by the Commission.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective upon the date hereof.

DATED at San Francisco, California, this 4th day of March, 1935.

Leon A. White
W. J. Lee
M. B. Harris
W. H. [unclear]

Commissioners.