

Decision No. 28772

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
PACIFIC ELECTRIC RAILWAY COMPANY, )  
a corporation, for an order author- )  
izing it to issue evidences of in- ) Application No. 20484  
debtedness. )

Frank Karr and C. W. Cornell, for applicant.

BY THE COMMISSION:

ORDER

ORIGINAL

Pacific Electric Railway Company has applied to the Railroad Commission for an order authorizing it to issue an evidence of indebtedness in the form and for the amounts and under the terms set forth in Exhibit A attached to its petition filed in this proceeding.

Exhibit A, which is a copy of an agreement dated April 2, 1936, by and between Pacific Electric Railway Company and General Motors Truck Company, shows that applicant has arranged to purchase eighteen, Standard Model-718, 41-passenger, transit type coaches for the sum of \$233,233.33 f.o.b. Pontiac, Michigan, payable in the amount of \$21,925.00 in cash upon delivery to and acceptance of the vehicles by the buyer, with the balance of the purchase price payable in sixty monthly installments; fifty-nine in the sum of \$3,521.00 each and one in the sum of \$3,569.33, with interest at the rate of 6% per annum, payable monthly on the entire unpaid balance of said purchase price at the date of each installment. In this connection the Commission has been advised that applicant proposes to place fifteen of said coaches in the operation of its Los Angeles-Glendale-Burbank line recently authorized by Decision No. 28588 dated February 24, 1936, as modified by Decision No. 28660, dated

March 23, 1936, and three coaches in the Los Angeles Motor Coach Company operations.

The Commission has considered the request of applicant and is of the opinion that it is not one 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 execution of the evidence of indebtedness is reasonably required for the purpose specified herein, and that the expenditures for such purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Pacific Electric Railway Company be, and it hereby is, authorized to execute and enter into an agreement substantially in the same form as that filed in this proceeding as Exhibit A, and issue or incur an evidence of indebtedness in the principal amount of not exceeding \$233,233.33 payable under the terms and conditions set forth in said agreement, for the purpose of financing the cost of eighteen Standard Model-718, 41-passenger, transit type coaches described in said agreement, provided,

1. That 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 Two Hundred and Thirty-four (\$234.00) Dollars ; and
2. That applicant shall file with the Commission a report, or reports, such as is required by the terms of the Commission's General Order No. 24, which order, insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 27th day of April, 1936. Fee # 234.00

*[Signature]*  
Free # 32626

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Commissioners.