

Decision No. 30246

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

**ORIGINAL**

In the Matter of the Application of the

LOS ANGELES RAILWAY CORPORATION,

for an order, pursuant to Section 52 of  
the Public Utilities Act, authorizing  
the issuance of three 5-year installment  
notes aggregating \$528,946.32 for the  
acquisition of property consisting of  
forty-seven (47) motor coaches.

Application No. 21555

S. M. Haskins and Woodward M. Taylor,  
for applicant.

BY THE COMMISSION:

O P I N I O N

Los Angeles Railway Corporation asks permission  
to issue \$528,946.32 face value of unsecured 5-year install-  
ment notes for the purpose of paying the cost of 47 new  
motor coaches.

The kind and character of motor coaches which  
applicant intends to acquire are described in its petition  
as follows:-

<u>Units</u>	<u>Model</u>	<u>Size</u>	<u>Seller</u>	<u>Price per Unit plus extras, tax and freight</u>	<u>Total</u>
5	E-13-S	30-passenger	The A.C.F. Motors Co	\$ 9,793.30	\$ 48,991.50
10	737 White	40-41 passen- gers	The White Motor Co.	12,013.22	120,132.20
4	31-R Twin	31-passenger	Twin Coach Company	9,381.58	37,526.32
10	40-R Twin	41-passenger	Twin Coach Company	11,380.32	113,803.20
<u>18</u>	<u>40-R Twin</u>	<u>41-passenger</u>	<u>Twin Coach Company</u>	<u>11,582.95</u>	<u>208,493.10</u>
47					\$528,946.32

Some of the equipment is needed by applicant to replace existing equipment, while some is needed to meet additional service requirements.

Applicant proposes to purchase all of said motor coaches on conditional sales contracts and to issue in payment thereof three 5-year installment notes, each of which will be paid in installments of 1/30th of their respective principal amounts payable each 30 days after their respective dates, plus interest at the rate of 5% per annum computed on the unpaid balance from such respective dates. Each of the said notes will be redeemable on any installment payment date without the payment of any premium. The amount of each of said notes and the proposed payees thereof are as follows:-

<u>Number</u>	<u>Payee</u>	<u>Principal Amount</u>	<u>Installment Payment</u>
1	The A.C.F. Motors Company, Philadelphia, Pennsylvania	\$ 48,991.50	\$ 816.52 $\frac{1}{2}$
1	The White Motor Company, 435 E. 20th St., Los Angeles, California	120,132.20	2,002.20 plus
1	Twin Coach Company, Kent, Ohio	359,822.62	5,997.04 plus

#### O R D E R

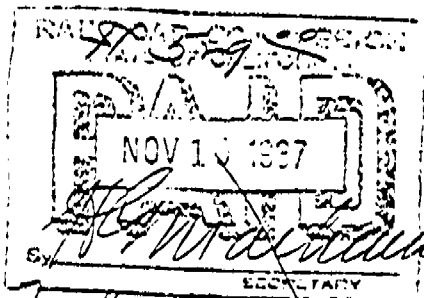
The Commission having considered applicant's request, and it being of the opinion that this is not a matter in which a public hearing is necessary, that the money, property or labor to be procured or paid for by applicant through the issue of said \$528,946.32 face value of notes is reasonably required by applicant for the purposes herein stated and that the expenditures for such purposes are not in whole or in part reasonably chargeable to operating expenses or to income and that this application should be granted as herein provided, therefore

IT IS HEREBY ORDERED that Los Angeles Railway Corporation be, and it is hereby authorized to issue, after the effective date thereof and prior to February 1, 1938, three unsecured 5-year installment notes in the aggregate face amount of \$528,946.32, for the purpose of acquiring the motor coach equipment described in the foregoing opinion, said notes to be payable in installments of one-sixtieth (1/60) each every thirty days from and after their respective dates, plus interest at the rate of five per centum (5%) per annum computed on the unpaid balance from the respective dates of said notes.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Los Angeles Railway Corporation has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Five Hundred and Twenty-nine (\$529.) Dollars.

IT IS HEREBY FURTHER ORDERED that Los Angeles Railway Corporation shall within thirty days after the issue of the aforesaid notes file with the Railroad Commission a copy of each of the notes issued under the authority herein granted, together with a statement showing the purposes for which the proceeds realized from the issue of said notes has been used.

DATED this 15<sup>th</sup> day of November, 1937.



*W. L. M. M.*  
*Leon Whitely*  
*Frank R. Hall*  
*Rapier*  
*Ray & Riey*  
Commissioners.