

Decision No. 28691

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of }  
DELIVERY SERVICE COMPANY }  
for an order permitting applicant to } Application No. 21991  
execute contracts. }

BY THE COMMISSION:

ORIGINAL

OPINION AND ORDER

This is an application for an order authorizing C. R. Becker to execute three conditional sale contracts for the purchase of three pieces of automotive equipment.

It appears that C. R. Becker, doing business under the firm name and style of Delivery Service Company, is engaged in operating auto trucks for the transportation and delivery of parcels serving the cities of Oakland, Berkeley, Alameda, Piedmont, Emeryville, El Cerrito and Albany under a certificate of public convenience and necessity granted by this Commission by Decision No. 28691, dated April 6, 1936, in Application No. 20144.

Applicant reports that in the operation of his business it became necessary to acquire additional equipment and that accordingly he arranged to purchase, under conditional sale contracts, one 1937 Chevrolet 1-1/2 ton screen side canopy truck for \$853.65, one 1937 Chevrolet 1/2 ton pickup truck for \$817.20 and one 1937 Chevrolet town Sedan for \$874.94.

A copy of each of the three contracts is attached to the application. The first, dated January 22, 1937, covering the town Sedan, provides for a total payment of \$874.94 payable \$187.00 at time of delivery and the balance of \$689.94 in eighteen monthly installments of

\$38.33; the second, dated July 10, 1934, covering the canopy truck, provides for a total payment of \$853.65 payable \$359.97 at time of delivery and the balance of \$493.68 in twenty-four monthly installments of \$20.57; and the third dated October 1, 1937, covering the pickup truck, provides for a total payment of \$817.20 payable \$180.00 at time of delivery and the balance of \$637.20 in twenty-four monthly installments of \$26.55.

Applicant did not obtain from this Commission permission to execute the three contracts although it is clear such permission should have been obtained because the contracts, providing for payment in part at periods later than twelve months after their dates of execution, in our opinion, are evidences of indebtedness as defined in Section 52(b) of the Public Utilities Act requiring this Commission's approval.

It appears, however, that applicant's failure to obtain such permission was through advertence and with no intent to evade the provisions of the Act. When the matter was called to his attention he filed the present application.

The Commission has considered this matter and is of the opinion that a public hearing is not necessary, that the money, property or labor to be procured or paid for 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 C. R. Becker be, and he hereby is, authorized to execute and enter into the conditional sale contracts in the form of those filed in this proceeding and in the amounts and for the purposes set forth herein, such authority to become effective

when applicant has paid the minimum fee prescribed by Section 57 of the Public Utilities Act, which fee is Twenty-five (\$25.00) Dollars.

DATED at San Francisco, California, this 13<sup>th</sup> day of June, 1938.

Walter W. ...  
Leon ...  
Frank ...  
Ray & Riley  
Commissioners

RECORDED & INDEXED  
JUN 29 1938  
JUN 21 1938  
A. M. ...  
SECRETARY