

Decision No. 23429

ORIGINAL

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 authorizing
it to issue evidence of indebtedness
for the purchase of P.C.C. cars.

Application No. 23429

BY THE COMMISSION:

OPINION AND ORDER

In this application, Pacific Electric Railway Company requests permission to execute a conditional sales contract for the purpose of acquiring thirty President's Conference Committee type cars (P.C.C. cars) from Pullman-Standard Car Manufacturing Company.

The company proposes to purchase the cars for \$21,371.67 each, making a total cost of \$641,150.10. Of this amount, a down payment will be made of \$5,710.42 per car, or a total of \$171,312.60, leaving a total balance to be paid of \$469,837.50. A conditional sales contract to be executed will provide for payment of this balance of \$469,837.50 in twenty-three quarterly payments, commencing three months after date of delivery, plus interest at the rate of five per cent per annum, payable quarterly, on deferred payments.

The application shows that ten of the cars to be acquired will be used on the Los Angeles-Glendale-Burbank line and the remaining twenty on the Venice Short Line service in

conjunction with the Hollywood Boulevard Service.

The Commission has considered the request of the Company, and is of the opinion that a public hearing is not necessary on this application, that the money, property or labor to be procured or paid for through the execution of the conditional sales contract is reasonably required for the purposes specified herein, 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, subject to the provisions of this Opinion and Order, therefore,

IT IS HEREBY ORDERED that Pacific Electric Railway Company be, and it hereby is, authorized to execute, after the effective date hereof and prior to October 31, 1940, a conditional sales contract, for the purchase of thirty President's Conference Committee type cars, providing for deferred payments in the sum of not to exceed \$469,837.50, to be payable in twenty-three quarterly installments, commencing three months after the date of delivery of the cars, plus interest at the rate of five per cent per annum, payable quarterly, on deferred payments.

IT IS HEREBY FURTHER ORDERED that Pacific Electric Railway Company shall file with the Railroad Commission, within thirty (30) days after execution, a copy of the conditional sales contract executed under the authority herein granted.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Pacific Electric Railway Company has paid the fee prescribed by Section 57 of the Public

Utilities Act, which fee is Four Hundred and Seventy (\$470) Dollars.

Dated at San Francisco, California, this 3rd day of April, 1940.

Ray L. Riley
Frank R. Allen
Ralph W. Johnson
H. H. Hall
Justin J. Gorman
Commissioners.

\$ 470⁰⁰
PAID
FEB 10 1940
A. M. Johnson