

Decision No. 33896

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 one seven-year installment
note in the sum of \$51,596.68 for the ac-
quisition of property consisting of four
(4) motor coaches.

Application No. 23457

BY THE COMMISSION:

O P I N I O N

Los Angeles Railway Corporation reports that it has placed an order with General Motors Truck & Coach Division of Yellow Truck and Coach Manufacturing Company for four new motor coaches as follows:

Order No. G-426, dated April 23, 1940
for 4 Model T. D. 40, forty-five pas-
senger, single deck, Diesel Hydraulic
Metropolitan type coaches.

Applicant reports that the cost to it of each of said coaches will be \$12,899.17 and that it proposes to purchase them on conditional sales contracts which will provide that one eighty-fourth of the purchase price will be payable each thirty days after the dates of the contracts, plus interest at the rate of four per cent per annum on the unpaid balance. It appears that as deliveries are made of the equipment a separate contract will be made covering the coaches of each delivery but that when all coaches have been delivered to applicant, the several contracts will be consolidated into a single conditional sales contract

which will contain a promise to pay in the form of a seven-year installment note in the approximate amount of \$51,596.68 payable in installments of one eighty-fourth each thirty days after the average date of the deliveries of the equipment plus interest at the rate of four per cent per annum computed on the unpaid balance from said date. The note will be redeemable on any installment payment date without the payment of any premium.

The application shows that it is the company's intention to use the four coaches to take care of the traffic and increasing patronage on its Beverly Boulevard Motor Coach Line.

O R D E R

Los Angeles Railway Corporation having applied to the Railroad Commission for authority to execute conditional sales contracts in the approximate amount of \$51,596.68, and the Commission having considered the company's requests and 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 is reasonably required by applicant for the purpose specified herein, that the expenditures for such purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income and that the application should be granted as provided herein, therefore,

IT IS HEREBY ORDERED that Los Angeles Railway Corporation be, and it hereby is, authorized to execute, on or before September 30, 1940, conditional sales contracts in the aggregate amount of not exceeding \$51,596.68, payable as indicated in the

foregoing opinion, for the purpose of acquiring the four motor coaches referred to in said opinion.

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 Fifty two (\$52.00) Dollars.

IT IS HEREBY FURTHER ORDERED that within thirty days after the execution of each conditional sales contract under the authority herein granted, Los Angeles Railway Corporation shall file a copy thereof with the Railroad Commission.

Dated at San Francisco, California, this 14th day of May, 1940.

Ray E. Rice
Frank D. Smith
Ralph ...
H. ...

Commissioners.

