

Decision No. 310430

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of PACIFIC GREYHOUND LINES, a cor-  
poration, for authority to execute  
conditional sale contracts for the  
purchase of buses.

Application No. 23681

BY THE COMMISSION:

ORIGINAL

OPINION AND ORDER

This is an application by Pacific Greyhound Lines for an order authorizing it to execute conditional sale contracts to finance in part the cost of fifty 45-passenger transit type motor coaches to augment the present fleet of motor bus equipment operated by it in local service in California, particularly in service in Marin County.

It appears from the application that the company has made arrangements to acquire the fifty coaches from Yellow Truck and Coach Manufacturing Company for the total sum of \$625,000 and to execute two conditional sale contracts. One contract will cover the purchase of thirty-three units for the sum of \$412,500, of which amount \$82,500 will be payable on delivery of the equipment, or within ten days after receipt of a statement from the seller, and the balance of \$330,000 will be payable in sixteen consecutive quarterly installments, with interest at the rate of 2½ per cent per annum on unpaid balances. The other contract will cover the purchase of seventeen units for the sum of \$212,500, of which amount \$42,500 will be payable on delivery, or within ten days after receipt of a statement from the seller, and the balance

of \$170,000 will be payable in twenty consecutive quarterly installments with interest at the rate of 2½ per cent per annum on unpaid balances. It appears that the contract providing for the deferred payments of \$330,000 will be assigned to Bank of America National Trust and Savings Association, and that the other contract will be assigned to the Anglo California National Bank.

Copies of the proposed contracts have been filed in this proceeding.

The Commission has given consideration to this application and is of the opinion that it is not a matter in which a public hearing is necessary, that the request of the company should be granted, as herein provided, that the money, property or labor to be procured or paid for is reasonably required by applicant for the purpose specified herein and that the expenditures for said purpose are not, in whole or in part, reasonably chargeable to operating expenses or to income, therefore,

IT IS HEREBY ORDERED that Pacific Greyhound Lines be, and it hereby is, authorized to execute, on or before December 31, 1940, conditional sale contracts in, or substantially in, the same form as those filed in this proceeding as Exhibit A, providing, among other things, for deferred payments, aggregating \$500,000, for the purchase of fifty 45-passenger motor coaches.

IT IS HEREBY FURTHER ORDERED that Pacific Greyhound Lines shall file with the Commission a copy of each conditional sale contract executed under the authority herein granted within thirty (30) days after such execution.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall become effective when Pacific Greyhound Lines has paid

the fee prescribed by Section 57 of the Public Utilities Act, which fee is five hundred (\$500.00) dollars.

Dated at San Francisco, California, this 17<sup>th</sup> day of September, 1940.

W. L. Riley  
Frank L. Smith  
Ralph H. [unclear]  
H. W. [unclear]  
Justin F. Casner  
Commissioners

