

Decision No. 32590

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of
MT. LASSEN MOTOR TRANSIT, INC.,
for an order, (1) granting authority
to proceed in securing a loan not
exceeding \$5,000.00 to cover oblig-
ations incurred, and (2) to issue
a promissory note securing the liq-
uidation of said note by monthly
payments for a period of five
years.

Application No. 23694

ORIGINAL

BY THE COMMISSION:

OPINION AND ORDER

This is an application by Mt. Lassen Motor Transit, Inc. for an order authorizing it to execute a deed of trust and to issue a note for \$5,000.

Mt. Lassen Motor Transit, Inc. was organized on or about March 16, 1938. It is engaged in the business of a common carrier for the transportation of passengers, baggage and property, principally in the northeastern part of California, and, in addition, in operating an automobile and truck sales agency and a repair shop and garage in Susanville. For 1939, its first full calendar year of operation, it reported transportation revenues of \$14,867.32 and other revenues of \$14,585.25, a total of \$29,452.57, and operating expenses, including depreciation, of \$42,630.23, resulting in a net loss for the year of \$13,177.66.

It appears that the company in the conduct of its business has found it necessary to incur indebtedness. As of August 31, 1940, its current liabilities aggregated \$22,384.47. It has found it necessary to make arrangements to borrow the sum of \$5,000 to discharge a portion of its current liabilities as set forth in Exhibit C filed in this proceeding. Accordingly, it proposes to execute a deed of trust covering certain real property located in Susanville and to issue its note for \$5,000, payable in monthly installments of \$100, with interest at the rate of seven per cent per annum, to obtain funds for this purpose.

The Commission has considered this application and is of the opinion that a public hearing is not necessary, and that the requests of applicant should be granted, as herein provided, therefore

IT IS HEREBY ORDERED that Mt. Lassen Motor Transit, Inc. be, and it hereby is, authorized to execute a deed of trust in, or substantially in, the form of the deed of trust filed in this proceeding on September 30, 1940, and to issue, on or before December 31, 1940, a note in the principal amount of \$5,000, payable in monthly installments of \$100, with interest at the rate of seven per cent per annum, for the purpose of obtaining funds to pay in whole or in part the current liabilities referred to in Exhibit C filed in this proceeding, provided that -

1. The authority herein granted to execute a deed of trust is for the purpose of this proceeding only, and is granted only insofar as this Commission has jurisdiction under the Public Utilities Act and is not intended as an approval of said deed of

trust as to such other legal requirements to which it may be subject.

2. The authority herein granted will 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; and

3. Mt. Lassen Motor Transit, Inc. shall file with the Commission, within thirty days after the issue of the note herein authorized, a statement showing the date upon which it was issued and the purposes for which the proceeds were used.

Dated at San Francisco, California, this 8th day of October, 1940.

Ray L. Berry
Frank D. Wulley
Ralph D. Wulley
John J. Bell
Justin J. Carver
Commissioners.

