

Decision No. 34296

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application
of PACIFIC ELECTRIC RAILWAY COM-
PANY, a corporation, for an order
authorizing it to issue evidence
of indebtedness.

ORIGINAL

Application No. 24243

BY THE COMMISSION:

OPINION AND ORDER

Pacific Electric Railway Company reports in this application that it proposes to purchase, for \$122,950.00, ten 45-passenger, Model 798-6, gas driven motor coaches from the White Motor Company.

The company plans to purchase the motor coaches under a conditional sale contract which will provide for the payment by it of 1/84th of the purchase price monthly, commencing thirty days after delivery of the equipment, plus interest at the rate of four per cent per annum. It is proposed to execute but one contract for all the coaches to be acquired.

It is reported that the ten coaches are necessary to take care of additional traffic on the company's various lines.

The Commission has considered this application and is of the opinion that a public hearing is not necessary; that the company should be authorized to execute a conditional sale contract to acquire the equipment to which reference is herein made; that the money, property or labor to be procured or paid for through the execution of the contract is reasonably required 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 Electric Railway Company be, and it hereby is, authorized to execute a conditional sale contract for the purpose of acquiring the ten coaches referred to herein, such contract to provide for the payment of \$122,950.00 in eighty-four monthly installments, commencing thirty days after delivery of the equipment, plus interest at the rate of four per cent per annum, provided:

1. That the company file with the Commission a copy of such conditional sale contract within thirty (30) days after its execution, and

2. That the authority herein granted will become effective when applicant has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is One Hundred and Twenty-three (\$123.00) Dollars.

Dated at San Francisco, California, this 10th day of June, 1941.

Ray & Reed
Justin J. Caswell
Francis L. Havenner
Richard Clarke
Commissioners

