

MC

Decision No. 34950

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

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

Application No. 24722

BY THE COMMISSION:

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 forty 41-passenger Transit Type Motor Coaches, Model TD 4502. A description of said motor coaches appears in Exhibit "D" on file in this proceeding. Applicant will use the new equipment in its local service, and thereby release Cruiser type and Super-Coach units for main line through service where they are required.

Applicant will acquire the forty motor coaches from the Yellow Truck & Coach Manufacturing Company at a total cost of \$560,000. Of the purchase price, \$160,000 will be paid in cash and the balance will be represented by conditional sale contracts. The deferred balance of \$400,000 will be payable in equal quarterly payments, with interest at the rate of 2 $\frac{1}{2}$ % per annum. The seller of the equipment will assign said conditional

sale contracts with deferred balances of \$200,000 owing thereunder to the American Trust Company and of \$200,000 to the Anglo-California National Bank. A copy of the proposed conditional sale contracts is on file in this proceeding as Exhibit "A."

The Commission has considered applicant's request and is of the opinion that this is not a matter on which a public hearing is necessary; that applicant's request should be granted as herein provided; that the money, property or labor to be procured or paid for by the execution of said conditional sale contracts 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, after the effective date hereof and on or before June 30, 1942, conditional sale contracts in, or substantially in, the same form as that filed in this proceeding as Exhibit "A," providing, among other things, for deferred payments aggregating not more than \$400,000 for the purpose of acquiring the forty motor coaches referred to herein.

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

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

paid the fee prescribed by Section 57 of the Public Utilities Act,
which fee is Four hundred (\$400.00) Dollars.

Dated at San Francisco, California, this 27th day of
January, 1942.

W. Baker
Ray L. Riley
Justus F. Craemer
Richard K. ...
Commissioners.

