

Decision No. 35434

ORIGINAL

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the application of PACIFIC ELECTRIC RAILWAY COMPANY, a corporation, for an order authorizing it to issue evidence of indebtedness for the purchase of seventy White motor coaches.

Application
No. 25039

BY THE COMMISSION:

OPINION AND ORDER

Pacific Electric Railway Company asks permission to execute a conditional sale contract for the purpose of acquiring from White Motor Company, seventy 45-passenger Model 798 gas driven motor coaches at approximately \$11,841.50 each, or a total of approximately \$828,905.00.

The conditional sale contract, which applicant desires to execute, will provide that 1/84th of the purchase price will be payable monthly, commencing thirty days after delivery of the equipment, such payments to extend over a period of seven years, plus interest at the rate of 4% per annum on the unpaid balance. The contract, except for its date, the monthly payment, and description of equipment, will be substantially in the same form as the contract, dated February 15, 1942, on file in this proceeding.

It is of record that applicant is purchasing said

motor coaches at this time in order to protect its needs for equipment necessary in its motor coach operations.

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 made herein; 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 seventy motor coaches referred to herein at a cost of not exceeding \$828,905.00, said cost to be payable in eighty-four monthly installments, commencing thirty days after delivery of the equipment, plus interest at the rate of 4% per annum, said contract, except for its date, the monthly payments, and description of equipment, to be in substantially the same form as the contract, dated February 15, 1942, on file in this proceeding.

IT IS HEREBY FURTHER ORDERED that the authority herein granted will become effective when Pacific Electric Railway Company has paid the fee prescribed by Section 57 of the Public Utilities Act, which fee is Eight Hundred and twenty-nine (\$829.00) Dollars.

IT IS HEREBY FURTHER ORDERED that within thirty (30) days after the execution of said conditional sale contract, Pacific Electric Railway Company shall file with the Commission a true and correct copy of said conditional sale contract.

Dated at San Francisco, California, this 16th day of June, 1942.

Ray L. Rice
[Signature]
Richard Schaefer
Commissioners

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RAILROAD COMMISSION
STATE OF CALIFORNIA
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By [Signature]
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SECRETARY