

Decision No. 40213

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of the)

LOS ANGELES TRANSIT LINES)

for an order or orders authorizing the)
issuance of conditional sale contracts)
and the execution and delivery of a)
financing agreement for the acquisition)
of equipment.)

FIFTH SUPPLEMENTAL)
APPLICATION NO.26768)
(For authority to issue)
conditional sale con-)
tract for the purchase)
of eighty (80) motor)
coaches.)

FIFTH SUPPLEMENTAL ORDER

Los Angeles Transit Lines reports that it has ordered from GMC Truck & Coach Division of General Motors Corporation 80 model TDE 3610 Transit Type Diesel Hydraulic Motor Coaches. The purchase price of the coaches, including estimated taxes and freight, is \$13,791.08 per unit, or a total of \$1,103,286.40. The coaches have a seating capacity of 36 passengers.

Applicant asks permission to execute a conditional sale contract or contracts pursuant to the financing agreement executed under the authority granted by Decision No. 38045, dated June 26, 1945, as amended, in Application No. 26768. Subject to the terms of that financing agreement, the Bank of America National Trust and Savings Association and Security-First National Bank of Los Angeles agreed to extend to applicant a credit of not exceeding \$5,000,000 to finance not more than 80% of the cost of motor coaches, street cars and trackless trolleys. Applicant reports that it has, under said loan agreement, an unused credit of \$2,236,065.60.

A portion of the new coaches will be used to replace a group of smaller coaches now in service, while the others will be used to institute service on routes approved by Decision No. 39917, dated January 28, 1947, and on lines where a 36-passenger motor coach can be more efficiently employed than coaches presently used on such lines.

The Commission has considered applicant's request and is of the opinion that this is not a matter on which a hearing is necessary, that the money, property or labor to be procured through the execution of a conditional sale contract or contracts for not exceeding \$1,103,286.40 is reasonably required by applicant for the purpose herein stated, which purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this supplemental application should be granted, therefore,

IT IS HEREBY ORDERED as follows:

1. Los Angeles Transit Lines may, after the effective date hereof and on or before October 1, 1947, execute and issue a conditional sale contract or contracts in the aggregate face amount of not exceeding \$1,103,286.40 to finance the purchase of the 80 Model TDH 3610 Transit Type Diesel Hydraulic Motor Coaches described in applicant's fifth supplemental petition filed in this application, such contract or contracts to conform with the financing agreement executed under the authority granted by Decision No. 38045, dated June 26, 1945.

2. The authority herein granted will become effective when Los Angeles Transit Lines has paid the fee prescribed by

Section 57 of the Public Utilities Act, which fee is One Thousand Fifty-two (\$1,052.00) Dollars.

3. Within thirty (30) days after the execution of said conditional sale contract or contracts, Los Angeles Transit Lines shall file with the Commission a copy of such contract or contracts.

Dated at San Francisco, California, this 29th day of April, 1947.

Harold P. Hule
Justus F. Gallen
Earl H. Rainey
B. J. Johnson
Kenneth J. Tolles
Commissioners

